



GANGA
FORGING LIMITED



ANNUAL REPORT 2019-20

GANGA FORGING LIMITED

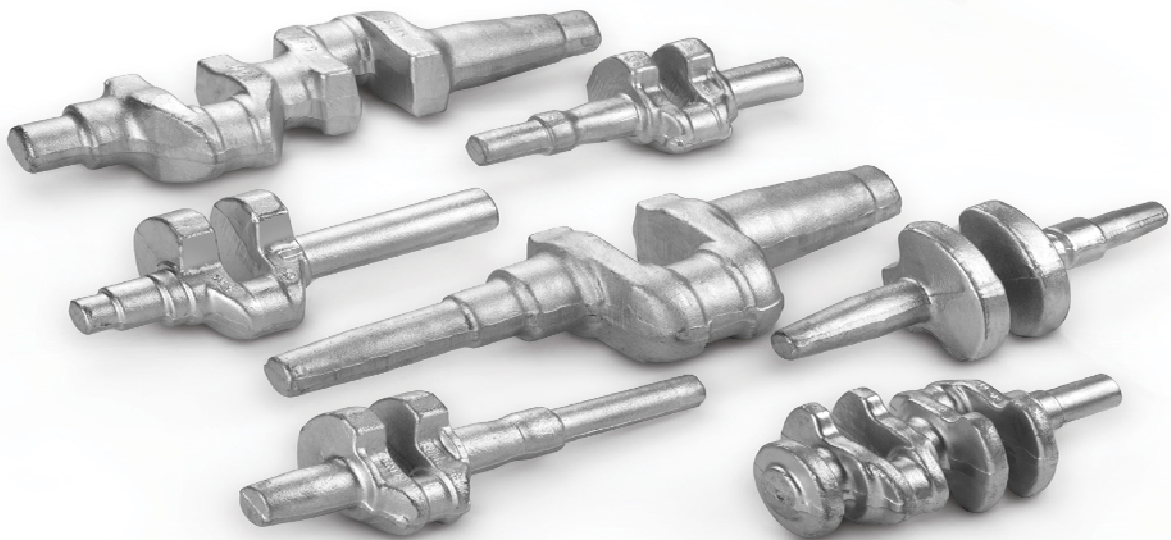


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Ganga Forging Limited was started in the year 1988 by qualified technocrats and manufacturers of forging and machined components as per customers' specifications for industrial use. Ganga Forging is one of the leading steel forging manufacturers. We served all major industries such as Construction, Railways, Mechanical industries, Oil refineries, Mining industry, etc. We have a wealth of experience of three decades working as a forging parts manufacturer. We have the depth and the width of experience in the industry. The company also exports forged components in raw material, semi-finished or finished stage depending upon requirements of buyers. We proudly proclaim to be the leaders in the industry.

Our Vision

"To become a leader in the forging industry by ensuring customer Satisfaction"

Our Mission

"To get global recognition as a socially responsible corporate entity by ensuring good service and high business ethics. To provide our customers with a highly sophisticated product, with zero defects and on time delivery.

To evolve ourselves into quality conscious, customer oriented and fast expanding organization.

Our qualified team and dedicated associates at Ganga Forging Limited plays a decisive role in achieving this vision."

We work to become the best steel forging manufacturers in the industry. We strive to accomplish our vision by maintaining a stringent quality of the components we deliver. We also ensure customer satisfaction through services that exceed expectations.

It is possible to achieve 100% customer satisfaction if we work in the right direction- this is our belief. We had a rough ride in our three decades of experience, but we never left the side of integrity and honesty.

Core Business Values

- Modern capability and human resources to deliver the best forging and machine components.
- Assuring you of our best service and cooperation at all times. Ganga Forging Limited Is an ISO 9001:2015.
- Strong capability in design and engineering, including equipment and a full-fledge product testing facilities
- Committing to highest quality products & other initiative that impact lives within and outside organization
- Foster creativity that challenges constraints and drive progress
- Build positive relationship through outstanding service with each interaction
- Quality is an expression of our goal to offer reliable products and services
- We listen to and respect our customers and each other so that we can act with insight, understanding and compassion
- Consistently demonstrate an unselfish commitment to working with others to create a collaborative culture
- We never compromise the safety of our employees and the public at large
- We are accountable for our responsibilities, our decisions, our actions and the result
- We strive to deliver the highest quality and value possible through simple, easy and relevant solutions
- Create a positive and dynamic work environment that enable personal achievements, work life balance and business success
- We inspire each other to explore ideas that can make the community & world a better place

Ganga Forging Limited is not only recognized for their superbly developed, high-quality products but also for their excellent customer service. We always want clients to come back, and if they sense they've been handled properly, then they will.

Variety of Product:

1. Anchor Shackle



2. Big Yoke



3. Blind Flanges



4. Connecting Rod-Incline



5. Forged Connecting rods - Straight



6. Forged Crankshaft



7. Forged Flanges



8. Forged Trunion Shafts



9. Crank Shaft-Double Cylinder



13. Forged Yoke



10. Crank Shaft-Single Cylinder



14. Socket Clevis



11. Dead End PIN



15. Spider/Cross



12. Forged Clamps



16. Trunion Pin



Detailed description of every product given hereinabove is available on the website of the company at <http://www.gangaforging.com/products>

Corporate Informations

Board of Directors:

Mr. Hiralal Tilva
(Chairman and Managing Director)

Mrs. Sheetal Chaniara
(Whole Time Director)

Mr. Mayurkumar Kalaria
(Non-Executive Director)

Mr. Harshad Ashar
(Independent and Non-Executive Director)

Mr. Rakesh Patel
(Managing Director)

Mrs. Parul Patel
(Whole Time Director)

Mr. Ramesh Dhingani
(Independent and Non-Executive Director)

Mr. Jasubhai Patel
(Independent and Non-Executive Director)

Key Managerial Personnel:

Mrs. Avni Dadhania
(Chief Financial Officer)

Ms. Drashti Vaghasiya
(Company Secretary & Compliance Officer)

Audit Committee:

Mr. Harshad Ashar
(Chairman)

Mr. Mayur Kalaria
(Member)

Mr. Ramesh Dhingani
(Member)

Nomination and Remuneration Committee:

Mr. Ramesh Dhingani
(Chairman)

Mr. Mayur Kalaria
(Member)

Mr. Harshad Ashar
(Member)

Stakeholder's Relationship Committee:

Mr. Harshad Ashar
(Chairman)

Mr. Rakesh Patel
(Member)

Mr. Ramesh Dhingani
(Member)

Statutory Auditors:

Nitesh A. Joshi & Co.,
Chartered Accountants
104, Business Centre,
Dekiwadia Hospital Building,
Canal Road, Rajkot-360002
Tel No: 0281 2220596/2227216
Email: caniteshjoshi@gmail.com

Secretarial Auditors:

MJP Associates,
Practicing Company Secretaries
110-112, Aalap B,
Near Hotel Sarovar Portico,
Opp. Shastri Maidan, Rajkot 360001
Tel No: 0281 2461166/2461177
Email: mjpassociates@gmail.com

Registrar & Share Transfer Agent:

Link Intime India Private Limited

247 Park, C-101, LBS Marg,
Vikhroli (West), Mumbai-400 083
Phone: 022-49186270, Fax: 022-49186060
Email: rnt.helpdesk@linktime.co.in
Web: www.linkintime.co.in

Stock Exchange (SME):

National Stock Exchange of India Ltd

Exchange Plaza, Plot no. C/1, G Block,
Bandra-Kurla Complex, Bandra (E),
Mumbai - 400 051.
Tel No: (022) 26598100 - 8114
Fax No: (022) 26598120

Investor Relation Contact Details:

Investor Grievance Redressal Division

Plot No. 1, Survey NO. 298/30,
Rajkot-Gondal National Highway,
Shapar (Veraval)- Tal.:Kotda -Sangani,
Dist: Rajkot, Gujarat, India. Pin
Code:360024.
Email: cs@gangaforging.com

Bankers of the Company:

Axis Bank Limited

Kalavad Road Branch, Rajkot

Registered Office and Work Unit-I:

Ganga Forging Limited

Plot No. 1, Survey No. 298/30,
Rajkot-Gondal National Highway,
Shapar (Veraval)- Tal.: Kotda-Sangani,
Dist: Rajkot, Pin Code:360024,
Gujarat, India

Work Unit-II:

Ganga Forging Limited (Unit-II)

Sr No 55/1 P6/P1/P1, Near Shree
Stamping, Rajkot Gondal National
highway, Pipaliya, Tal: Gondal,
Dist: Rajkot, Pin Code: 360311,
Gujarat, India

Contact Us:

Phone: 02827-252077

Fax: 02827- 252208

E-mail: gangaforging@yahoo.co.in
info@gangaforging.com

Website:

www.gangaforging.com

Chairman's Message

Dear shareholders,

It gives me great pleasure to welcome you all to the Annual General Meeting of our Company and share with you the progress our Company has made, despite the several challenges posed by the National & global economy.

While the economic climate throughout the industry has remained challenging during year gone by, the period including the Fiscal Year 2019-20 was a period of steady revival and consolidation for us and even at the end of this year the corona crisis is the most disruptive event not only in the human history but for overall economy. The economic growth in the last last quarter of the year went down due to complete lockdown situation in the country. The year 2019-20 witnessed COVID19 situation in last quarter in India, and that resuted into significant impact on economic and general life in country. The lockdown, which lasted till mid May 2020 in Gujarat. Further, the lockdown and restrictions, are still continue in some parts of the country, due to serious situation of COVID19. This has hugely impacted the performance of the Company. During the year 2019-20 company has also incurred loss as compared to previous finanacial year but management of the company assures you for better performance in the years to come. However, learning from every situation and moving forward, we have kept up the developments in our projects and also tried to evolve with the challenging market.

I am confident that Ganga Forging Limited, with its committed associates, excellent customers, wide product range and strong and stable management team will continue to deliver significant value to all its stakeholders in the years to come and will achieve every milestone in the journey to success.



I would like to thank all our shareholders, investors, employees, customers and all other stakeholders, who have always stood by us. With our focused business strategy, dynamic management team and a pool of professional talent, we are poised for growth.

I look forward to your continued support in the coming years to take the Company to the next level of robust growth and become a Leader in manufacturing of forged components in India.

Thank you.

Hiralal Tilva
Chairman & Managing Director
[DIN:00022539]

Letter to Shareholders



Dear Shareholders,

We take great pleasure by sharing with you about the performance of our company and present the Annual Report for the financial year 2019-20.

The entire history of Ganga Forging Limited has been a story of leadership and innovation. We would like to state that our company is progressing to achieve new milestones in its journey towards growth through total excellence. GANGA FORGING LIMITED has pursued business excellence through passion and expansion project successfully thereby improved its cost competitiveness and profitability.

Over the years we believe that we have established a strong customer base and good business setup. Further, our Company has sufficient marketing expertise and wide network, which is and would be channeled for our business and future expansion, if any. We have dedicated divisions for marketing of our products in all geographical locations. The sales division and export division are responsible for marketing of our products. All the divisions are well trained with adequate teams to handle daily activities and are supervised regularly.

We would like to assure that we will continuously seek opportunities and make our best efforts to contribute towards the growth and success of the organization.

We extend our sincere appreciation to our colleagues on the board for their wise and matured counsel for the smooth functioning of the company. We would like to express our profound gratitude to all our stakeholders, our customers, business associates, employees, bankers, vendors and shareholders who have reposed their trust in us and given us constant support.

Sincerely yours

Rakesh Patel
Managing Director
[DIN: 00510990]

Notice of Annual General Meeting

NOTICE is hereby given that the Annual General Meeting of the Members of the Ganga Forging Limited will be held on **Monday, 28th December, 2020** at 11:00 a.m. at the Registered Office of the Company situated at Plot No.1 Survey No. 298 & 30, Rajkot Gondal National Highway, Veraval (Shapar), Rajkot, Gujarat, India, to transact the following businesses:

Ordinary Business:

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended on 31st March, 2020 and reports of Board of Directors and Auditors thereon.
2. To appoint Mrs. Parulben R. Patel, Director [DIN: 07528313], who retires by rotation as a Director and being eligible, offers herself for re-appointment.

Special Business:

3. **Increase in authorized share capital of the company from Rs. 8,50,00,000/- (Rupees Eight crores fifty lacs only) To Rs. 12,00,00,000/- (Rupees twelve crores only)**

To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to provisions of Section 61(1)(a) read with Companies (Share Capital and Debentures), Rules 2014 and other applicable provisions, if any of the Companies Act, 2013 and Rules frames there under (including any statutory modifications or amendments or re-enactment thereof), and para A, Part A of Schedule III of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 read with the Memorandum and Article of association of the Company as amended from time to time, the Authorized Share capital of the Company be and is hereby increased **FROM** Rs. 8,50,00,000/- (Rupees Eight Crores Fifty Lacs Only) divided into 85,00,000 (Eighty-Five Lacs) Equity shares of Rs. 10/- (Rupees Ten Only) each **TO** 12,00,00,000 (Rupees Twelve Crores Only) divided into 1,20,00,000 (One Crore Twenty Lacs) Equity shares of Rs. 10/- (Rupees Ten Only) each, ranking pari-passu in all respect with the existing Equity Share of the Company.”

“RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized to do all things, deeds, acts as may be necessary to give effect to this Resolution.”

4. Alteration in Clause V (Capital Clause) of the Memorandum of Association of the company

To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to provisions of section 13, section 61 (1) (a) and other applicable provisions if any of the Companies Act, 2013 and rules framed there under (including any statutory modifications or amendments or re-enactments thereof) the existing Clause V. i.e Capital Clause of the Company, be substituted with the following new clause to read as under.

“The Authorised Share Capital of the Company is Rs. 12, 00, 00,000/- [Rupees Twelve Crores Only] divided into 1,20,00,000 (One Crore Twenty Lacs) Equity shares of Rs. 10/- (Rupees Ten Only) each.”

“RESOLVED FURTHER THAT the Board of director of the Company be and is hereby authorised to do all things, deeds acts as may be necessary to give effect to this Resolution”

5. To issue Bonus Shares through capitalization of free reserves/ securities premium account:

To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 63 and other applicable provisions if any of the Companies Act, 2013 and rules made thereunder (Including any statutory modifications or re-enactment thereof), Chapter XI of the Securities and Exchange Board of India (Issue of Capital and Disclosures Requirements) Regulations, 2018 read with the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 and any other regulations and guidelines issued by the SEBI and Reserve Bank of India (RBI) from time to time and pursuant to provisions of Article 17 of Article of Association of the company and pursuant to recommendation made by the Board of Directors of the Company, and subject to such approval as may be required in this regard, consent of the members be and is hereby given for capitalization of amounts outstanding in the Free Reserves and Securities Premium Account of the Company as may be considered necessary by the board of directors of the company for issue of bonus equity shares of Rs. 10 each as fully paid to the existing equity shareholders of the Company in

consideration of their Shareholding and whose names appear in the Register of Members maintained by the Company/List of Beneficial Owners as received from the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), on such date as may be fixed in this regard by the Board, in the proportion of 1 (One) equity shares for every 3 (Three) existing equity shares held by the Members”.

“RESOLVED FURTHER THAT the bonus equity shares so allotted shall rank pari passu in all respects with the fully-paid up equity shares of the Company as existing on such date as may be fixed in this regard by the Board.”

“RESOLVED FURTHER THAT in case of fractional shares, if any, arising out of the issue and allotment of the bonus equity shares, the Board be and is hereby authorized to make suitable arrangements to deal with such fractions for the benefit of the eligible Members, including but not limited to, allotting the total number of new equity shares representing such fractions to a person(s) to be appointed by the Board of Directors who would hold them in trust for such Members and shall, as soon as possible, sell such equity shares at the prevailing market rate and the net sale proceeds of such equity shares, after adjusting the cost and the expenses in respect thereof, be distributed among such Members who are entitled to such fractions in the proportion of their respective fractional entitlements.”

“RESOLVED FURTHER THAT no letter of allotment shall be issued to the allottees of the new equity bonus shares and the Share Certificates in respect of the new equity shares will be issued in the same mode as held on the Record Date and dispatched to the shareholders who hold the existing equity shares in physical form and the new equity shares will be credited in electronic form to the demat accounts of the shareholders who hold the existing equity shares in electronic form, within the period prescribed.”

“RESOLVED FURTHER THAT for the purposes of giving effect to the bonus issue of equity shares as resolved hereinabove, the Board and other designated officers of the Company be and are hereby authorized on behalf of the Company for filing an all application, statement, form, return, if any, and other documents, for listing the additional equity shares on the NSE Ltd, and to do all such acts, deeds, matters and things as it may deem necessary or desirable for such purpose and entering into of any arrangements in regard to any such bonus as it may deem fit.”

NOTICE OF AGM



“RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, expedient or desirable for the purpose of giving effect to the aforesaid resolutions and determine all other terms and conditions of the issue of bonus equity shares as the Board may in its absolute discretion deem fit.”

Date: 27/11/2020

Place: Rajkot (Shapar-Veraval)

By Order of the Board of Directors
For, **GANGA FORGING LIMITED,**

Sd/-
(CS Drashti Vaghasiya)
Company Secretary & Compliance Officer
[Membership No. A58976]

NOTES:

1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and the proxy need not be a member of the Company. The instrument appointing the proxy should be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.
2. A person can act as a proxy on behalf of members not exceeding fifty [50] in numbers and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. The holder of proxy shall prove his identity at the time of attending the Meeting.
3. If a proxy is appointed for more than fifty Members, he/she shall choose any fifty Members and confirm the same to the company before the commencement of specified period of inspection. In case the proxy fails to do so, the company shall consider only the first fifty proxies received as valid.
4. Attendance slip, proxy form and the route map of the venue of the meeting are annexed hereto.
5. Corporate members intending to send their authorized representative(s) to attend the meeting, pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a certified true copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorized under the said Board Resolution to attend and vote on their behalf at the meeting.
6. In view of the prevailing situation of COVID 19 pandemic, owing to the difficulties involved in dispatching of physical copy of Annual Report, soft copy of annual report is being sent to all the members whose email address is registered with Company/Depository Participant(s). Further for those members who have not registered their email address, may note that copy of annual report for the financial year 2019-20 is also available on the website of the company at www.gangaforging.com for download. Furthermore, MCA general circular No. 20/2020 dated 05th May, 2020 and SEBI circular SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 has also provided relaxation to the company in sending of physical copy of annual report to the members. In view of the above situation and in compliance of circulars company will not be printing physical copy of the annual report.

7. Member's voting rights shall be in proportion to his/her share of paid up share capital of the company. In case of Joint holders attending the meeting together, only whose name appearing first, will be entitled to vote.
8. Brief Profile of the director retiring by rotation and being eligible offer herself for re-appointment at the ensuing meeting are provided in the "Annexure" to the notice.
9. The register of Member and Share Transfer Books will remain close from 21st December, 2020 to 26th December, 2020 [Both days inclusive] for the purpose of Annual General Meeting. The book closure dates have been fixed in consultation with the Stock Exchange.
10. The register of Directors and Key Managerial Personnel (KMP) and their shareholding and register of Contracts and Arrangements in which Directors are interested maintained under Section 170 and Section 189 of the Companies Act, 2013 respectively will be available for inspection by the Members at the Annual General Meeting.
11. The person whose name is registered in the register of members the Company or in the register of beneficial owner maintained by the depositories as on Friday, 27th November, 2020 [Cut-off date for receiving Notice and Annual Report], shall be entitled for receiving of the Annual Report for the period 2019-20, through their registered Email-id.
12. The persons whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on Friday, 18th December, 2020 (i.e., cut-off date) only shall be entitled to vote at the AGM.
13. Members desirous of getting any information about the Accounts and/ or Operations of the Company or any questions at the Annual General Meeting are requested to write to the Company so as to reach the Company's Registered Office at least 7 days before the Annual General Meeting to enable us to keep the information ready at the Meeting.
14. The company has appointed CS Purvi Dave, Partner, MJP Associates, Practising Company Secretaries, Rajkot to act as a scrutinizer, to scrutinize the voting at Annual General Meeting of the Company in a fair and transparent manner.

15. The voting results shall be declared at or after the Annual General Meeting of the Company. The results declared along with the Scrutinizer's Report shall also be placed on the Website of the Company www.gangaforging.com and also on the website of Stock Exchange after the result is declared by the Chairman and communicated to the Stock Exchange.
16. Relevant documents referred to in the Notice are open for inspection by the members at the registered office of the Company during normal business hours on all working days (i.e. except Wednesday and public holidays) up to the date of the meeting. The aforesaid documents will be also available for inspection by members at the meeting.
17. Members holding shares in the electronic mode are requested:
1. to submit their PAN and bank account details to their respective DPs with whom they are maintaining their Demat accounts.
 2. to contact their respective DPs for registering the nomination.
 1. to register/update their e-mail address with their respective DPs for receiving all communications from the company electronically.

“ANNEXURE TO NOTICE”

Brief Profile of Director Retiring by Rotation and Seeking Reappointment at The Ensuing Annual General Meeting

Name of Director	Mrs. Parul Rakeshbhai Patel
DIN	07528313
Date of Birth	20/03/1973
Expertise in Specific Functional areas and experience	Mrs. Patel has been working as whole time director in the company since last three years and has over eight years of experience in office administration and also having basic experience of forging industry. She holds a Master’s Degree in Commerce from the Saurashtra University.
Directorship held in other companies	Nil
Shareholding in the Company	7,32,761 Equity Shares
Membership/Committee positions held in other companies	Nil
Relation with other director/s	Wife of Mr. Rakesh Chhaganbhai Patel, Managing Director of the company

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

Item No. 3 & 4:

Members are already aware that the equity shares of the company are listed on National Stock Exchange of India Limited (SME emerge Platform). With a view to increase the investor base and encouraging their participation by providing liquidity in the equity shares of the company, the board of directors of the company has decided to increase the paid up share capital of the company by capitalizing outstanding amount of the free reserves and security premium account of the company. However, as the paid up share capital cannot be more than the authorised share capital, thus the Company has first to increase its authorised share capital.

Hence, Resolution No. 3 is proposed to be passed as an Ordinary Resolution to Increase the Authorised Share Capital of the Company from Rs. 8,50,00,000/- to Rs. 12,00,00,000/- and new shares, as and when issued, shall rank pari - passu with the existing shares.

Members are requested to pass the above Resolution as an Ordinary Resolution.

Members are aware that the Clause V of the Memorandum of Association contains the information about the Authorised Share Capital of the Company. However, consequent upon increase in the Authorised Share Capital, the Company is also required to amend the **Clause V** of the Memorandum of Association.

Hence, the Resolution no. 4 is proposed to be passed as a Special Resolution to amend **Clause V** of the Memorandum of Association of the Company.

Members are requested to pass the above Resolution as a Special Resolution.

None of the Directors of the Company is interested in the said resolution.

Any documents referred to in the aforesaid Resolution at Item No. 3 & 4 are available for inspection for any member during normal business hours on any working day (except Wednesday).

Item No. 5: -

The equity shares of your Company are listed and actively traded on the SME emerge platform of National Stock Exchange of India Limited. With a view to encourage the participation of small investors by making equity shares of the Company affordable, increasing the liquidity of the equity shares and to expand the retail shareholder base, the Board in its meeting held on 27th November, 2020 considered and approved a bonus issue of 1(One) equity shares for every 3 (Three) existing equity shares held, as on a record date to be determined by the Company. Further, on allotment of bonus shares, the Company's paid up share capital will be increased from Rs. 7,94,73,310/- (Rupees Seven Crores Ninety-four Lacs Seventy-Three Thousand Three Hundred Ten only) divided into 79,47,331 (Seventy-Nine Lacs Forty-Seven Thousand Three Hundred Thirty-One) equity shares of Rs. 10/- (Rupees Ten only) each to 10,59,64,410 (Rupees Ten Crores Fifty-Nine Lacs Sixty-Four Thousand Four Hundred and Ten only) divided into 1,05,96,441 (One crore five lacs ninety-six thousands four hundred forty-one) equity shares of Rs. 10/- (Rupees Ten only). Consequently, the Company will be eligible for migration to the Main Board of the NSE, considering the fact that the paid up share capital of the Company will be more than Rs. 10 crores.

In case of fractional entitlements arising out of the issue of bonus equity shares, the Board will make suitable arrangements to deal with such fractions for the benefit of the eligible Members, including but not limited to, aggregating of such fractions and allotting the total number of new equity shares representing such fractions to a person(s) to be appointed by the Board who would hold them in trust for such Members and shall, as soon as possible, sell such equity shares at the prevailing market rate and the net sale proceeds of such shares, after adjusting the cost and the expenses in respect thereof, be distributed among such Members.

In terms of provisions of the Companies Act, 2013, prior approval of Members is required for issue & allotment of bonus shares by way of an Ordinary Resolution.

Hence the aforesaid resolution is placed before the members of the Company for their consent and are requested to pass the above Resolution as an Ordinary Resolution.

None of the Directors, any other Key Managerial Personnel or their relatives is interested in this Resolution, except in capacity as a shareholder of the company

NOTICE OF AGM



Any documents referred to in the aforesaid Resolution at Item No. 5 are available for inspection for any member during normal business hours on any working day (except Wednesday).

Date: 27/11/2020

Place: Rajkot (Shapar-Veraval)

By Order of the Board of Directors
For, **GANGA FORGING LIMITED,**

Sd/-
(CS Drashti Vaghasiya)
Company Secretary & Compliance Officer
[Membership No. A58976]

Report of the Board of Directors

To,
The Members,
Ganga Forging Limited,

Your Directors are pleased to present their Annual Report for the financial year ended on 31st March, 2020.

FINANCIAL RESULTS:

Your Company's performance for the year ended on 31st March, 2020, is summarized as under:

(Amt. in Rs.)

Sr. No.	Particular's	2019-20	2018-19
1	Revenue from Operation	23,65,79,717	27,87,53,285
2	Other Income	10,35,575	17,11,049
3	Total Revenue (1+2)	23,76,15,292	28,04,64,334
4	Employees Benefits Expense	2,26,33,196	1,98,18,791
5	Depreciation & Amortization Exp.	88,02,864	73,61,845
6	Finance Cost	1,26,81,271	1,11,81,469
7	Other Expenses	5,23,46,568	6,53,49,330
8	Profit/(Loss) Before Tax	(2,80,20,435)	66,08,438
9	Current Tax	0	13,42,501
10	Deferred Tax	(68,66,437)	13,28,997
11	Profit / (Loss) After Tax (PAT)	(2,11,53,998)	52,11,511

STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK:

During the year under report, the Company had earned Revenue from Operation of Rs. 23,65,79,717/- in comparison to Revenue from Operation of Rs. 27,87,53,285/- made in previous financial year 2018-19. Further, the Company has recorded Net loss of Rs. 2,11,53,998/- during the current financial year 2019-20, in comparison to the Net Profit of Rs. 52,11,511/- made in the previous financial year 2018-19. During the year, due to decrease in revenue from operation and increase in Employee benefit expenses company has recorded loss as compared to profit during the previous financial year. The Management of the Company assures to maintain stability in the business operation and make expansion by enlarging their business activities in the forthcoming years.

FINANCIAL STATEMENT:

In accordance with Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as `Listing Regulations`) and Section 136 of the Companies Act, 2013 read with Rule 10 of the Companies (Accounts) Rules, 2014, the Annual Report containing salient features of the financial statements for the financial year 2019-20, along with statement containing salient features of the Directors' Report (including Management Discussion & Analysis) is being sent to all those shareholders who have registered their email address.

Further, full version of Annual Report for the F.Y. 2019-20 is also available for inspection at the registered office of the Company during working hours up to the date of ensuing Annual general meeting (AGM). It is also available at the Company's website www.gangaforging.com

DECLARATION OF DIVIDEND AND TRANSFER OF AMOUNT TO RESERVES:

Due to loss during the year, your Board of Directors does not recommend any dividend for financial year under review. Moreover, no amount is being transferred to general reserves.

CHANGE IN NATURE OF BUSINESS:

As company is engaged in the business of manufacturing and job work of closed die forged products and generated total revenue of Rs. 22,95,89,509 from it during the F.Y. 2019-20. There has been no change in nature of business of the Company during the year under report.

SHARE CAPITAL:

The Paid up Equity share Capital of the Company as on 31st March, 2020 was Rs. 7,94,73,310/- (Rupees Seven Crores Ninety-Four Lacs Seventy-Three Thousand Three Hundred and Ten only) divided into 79,47,331 (Seventy-Nine Lacs Forty-Seven Thousand Three Hundred Thirty-One) Equity Shares of Rs 10/- (Rupees Ten only) each. During the year, the Company has not issued any share with differential voting rights nor granted stock options or sweat equity or any convertible instrument.

EXTRACT OF ANNUAL RETURN:

In terms of Section 134(3)(a) of the Companies Act, 2013, the extract of Annual Return, in **Form MGT -9** [as specified in Section 92(3) read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014], for the Financial Year 2019-20 is attached as “**Annexure I**” to this report and the same is also available at the company’s website www.gangaforging.com at the link <https://www.gangaforging.com/investorsrelation/annualreports>

BOARD MEETINGS AND INDEPENDENT DIRECTORS MEETING:

During the year under review, 8 (Eight) number of Board meetings were held on 14/05/2019, 29/05/2019, 22/06/2019, 24/06/2019, 02/09/2019, 14/11/2019, 19/12/2019 and 12/03/2020 and requisite quorum were present at the said meetings.

Further, Independent Directors meeting was held on 14th November, 2019 to review the performance of Non Independent Directors and the Board as a whole; review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors and access the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonable perform their duties. Non- Executive including Independent Directors plays a crucial role in balancing the functioning of the Board by providing independent judgments on various issues raised in the Board meetings like formulation in business strategies, monitoring of performances etc. Their role, *inter alia*, includes:

- Impart balance to the Board by providing Independent Judgements
- Provide feedback on company’s Strategy and Performances
- Provide effective recommendations for further improvements

DECLARATION OF INDEPENDENCE BY INDEPENDENT DIRECTORS:

All the Independent Directors have confirmed and give a declaration to the Board that they meet the criteria of Independence as specified under Section 149(6) of the Companies Act, 2013 and Regulation 25 of the Listing Regulations that they qualify to be Independent Directors pursuant to Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and also confirmed that they have registered themselves in the independent director’s databank maintained by Indian Institute of Corporate Affairs as per rule 6 of Companies (Appointment and Qualifications of Directors) Rules, 2014.

BOARD'S RESPONSIBILITY STATEMENT:

Pursuant to the provisions of Section 134 (5) of the Companies Act, 2013, with respect to the Directors' Responsibility Statement, the Directors confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed and there are no material departures from the same;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the company for that year;
- c) the directors had taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) The directors had prepared annual accounts on a going concern basis;
- e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively as at 31st March, 2020 based on the internal control over financial reporting criteria established by the company.
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws, rules, regulations and such systems were adequate and operating effectively;

RELATED PARTY TRANSACTIONS:

During the year under report, the Company has entered into transactions with related parties for the payment of salary to the relative to the related party. The said transactions were carried on at arm's length price and in the ordinary course of business, and hence do not fall within purview of Section 188(1) of the Companies Act 2013. Information on transactions with related parties pursuant to section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Form AOC-2 and attached to this report as "**Annexure II**".

STATUTORY AUDITOR AND AUDITOR'S REPORT:

Members are already aware that **M/s. Nitesh A. Joshi & Co. Chartered Accountants [Firm Registration No. 127578W] Rajkot** had been appointed as statutory auditor of the company in the Annual General Meeting of the company held on 24th September, 2019 to hold office from the conclusion of that annual general meeting till the conclusion of Annual General meeting to be held in the 2024 (for the financial year 2023-24) by passing of Ordinary Resolution on such remuneration as may be decided and approved by Board of Directors of the Company in consultation with Audit Committee of the company.

The Auditor's Report along with financial statement and all its annexures forming part thereof for the financial year ended March 31, 2020 forms part of this Annual Report and same does not contain any qualification, reservation or adverse remark.

There have been no instances of fraud reported by the Auditors under Section 143(12) of the Companies Act, 2013.

The observations of Auditors forming part of auditor's opinion provided as key audit matters in their report read with the relevant notes to accounts in schedule are self-explanatory and do not require further explanation. There are no qualifications, reservations or adverse remarks made by auditor in their Audit Report. However, auditors have qualified that there is delay in payment of undisputed statutory dues such as Income Tax, GST and Gratuity Payment for more than 6 months and outstanding as on 31st March, 2020

Reply to Qualification: our company has generally been regularly deposited undisputed statutory dues with appropriate authority. However, in the end of the financial year 2019-20 due to pandemic situation of COVID-19 has hugely impacted the performance of the Company and during the period the Company was having financial crunch and therefore was unable to pay statutory dues on time. The management ensures that in the years to come, the Company will not make any delay in deposit of undisputed statutory dues within time.

SECRETARIAL AUDITORS:

As required under the provisions of section 204 of the Companies Act, 2013 and Rules framed thereunder, the Board has appointed CS Purvi Dave, Partner, MJP Associates, Practising Company Secretaries, Rajkot as the Secretarial Auditor of the Company, for conducting the Secretarial Audit for the FY 2019-20.

Secretarial Audit Report in Form MR-3 issued by the Secretarial Auditor of the Company for the Financial Year ended on March 31, 2020 is attached to the Director's Report as "**Annexure III**".

Some observations by Secretarial Auditor under secretarial audit report for FY 2019-20 is as under:

- (a) The Company has filed Resolutions for approval of Financial Statements and other business items for year 2019-20, with the Registrar of Companies, Gujarat, after completion of 30 days with payment of additional fees on 29.06.2019.

Reply by Board: The Board would ensure for timely compliance of all provisions of the Act in future.

- (b) The Company had not filed One Time Return of Deposit on or before 30th June, 2019.

Reply by Board: Board had not filed Form DPT-3 One Time Return within prescribed time limit. However, it had rectified the said non-compliance by filing the Form under Company Fresh Start Scheme (CFSS).

- (c) The Company had not filed the Form MGT 14, for Registration of the Resolution for Resignation & appointment of Company Secretaries (Key Managerial Personnel) effected from 14.05.2019 and 22.06.2019, respectively.

Reply by Board: Due to technical constraints the Forms were pending to be filed as on 31st March, 2020

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Company is constantly taking various steps for conservation of energy during the year under Report. Further, your company is increasingly using information technology in its operations and promotes conservation of energy and resources.

Further, there are no significant expenses on technology absorption during the year. However, Company has purchased all its machineries installed at factory of latest technology for higher quality and better performance in view of technology absorption in the Company.

Moreover, the Company has reported Foreign Exchange Earnings and Expenses made as under:

Particulars	2019-20	2018-19
Foreign Exchange Earnings	12,37,404	6,58,560
Foreign Exchange Outgo	Nil	Nil

PARTICULARS OF LOAN, GUARANTEES AND INVESTMENTS MADE:

During the year under report, the Company has not granted any loan or provided any guarantee or made any investment exceeding the limits as specified in Section 186 (2) of the Companies Act, 2013. Hence no approval from the shareholders in this regard was required.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

In terms of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, every company having net worth of Rs. 500 Crores or more OR an annual turnover of Rs. 1000 Crores or more OR a net profit of Rs. 5 Crores or more, during the immediately preceding financial year i.e. 2018-19 is required to constitute a CSR Committee. Ganga Forging Limited does not fall in any of the above criteria during the year 2018-19. Therefore, it is not required mandatorily to carry out any CSR activities or constitute any Committees under provisions of Section 135 of the Act during the year under report.

However, at Ganga Forging Limited we strongly believe that it's our moral responsibility to play an active role in discharging the social obligations for betterment of society in which we operate.

VIGIL MECHANISM FOR THE DIRECTORS AND EMPLOYEES:

Pursuant to Section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report their genuine concerns has been established, in order to ensure that the activities of the company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty and integrity and ethical behavior.

The Company has established a vigil mechanism through which Directors, employees and business associates may report unethical behavior, malpractices, wrongful conduct, fraud, violation of Company's code of conduct without fear of reprisal. The Company has set up a Direct Touch initiative, under which all Directors, employees, business associates have direct access to the Chairman of the Audit committee, and also to a member of the committee for this purpose.

The Company ensures that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment or victimization. The vigil mechanism policy has also been uploaded on the website of the company at <http://www.gangaforging.com/investorsrelation/policiesandcodeofconduct>

RISK MANAGEMENT:

The Company is not under the purview for constituting Risk management committee under the provisions of regulation 21 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015. However, the Board periodically reviews the operations of the Company and identifies the risk / potential risk, if any to the Company and implement the necessary course of action(s) which the Board deems fit in the best interest of the Company.

CORPORATE GOVERNANCE:

As per Regulation 15(2) read with regulation 34 (3) and Schedule V of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 our company is listed on SME Platform of National Stock Exchange of India Limited. Therefore, compliance with certain corporate governance provision and preparation of corporate governance report is not applicable to the company. Although relevant information is provided in the Board's Report.

DETAILS OF BOARD OF DIRECTORS:

Pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013 and rules made thereunder, one-third of such number of the Directors as are liable to retire by rotation, shall retire every year and, if eligible, offer themselves for re-appointment at every AGM. Consequently, Mrs. Parul Rakeshbhai Patel, Whole-time Director [DIN 07528313] will retire by rotation at the ensuing AGM, and being eligible, offer herself for re-appointment in accordance with provisions of the Companies Act, 2013. The Board of Directors recommend their re-appointment for approval of members at the ensuing AGM.

As on 31st March, 2020, the Board of Directors comprised of the following Directors:

Sr. No.	Name	Designation	Director Identification Number (DIN)	Date of Appointment
1.	Hiralal Mahidas Tilva	Managing Director	00022539	02/04/2018
2.	Rakesh Chhaganlal Patel	Managing Director	00510990	10/03/2016
3.	Sheetal Sanjivkumar Chaniara	Whole time Director	07528297	01/09/2017
4.	Parulben Rakeshbhai Patel	Whole time Director	07528313	01/09/2017
5.	Mayurkumar Mansukhlal Kalaria	Director	08099999	02/04/2018

6.	Jasubhai Khimjibhai Patel	Independent Director	01006449	21/04/2018
7.	Harshad Vinodrai Ashar	Independent Director	07928692	01/03/2018
8.	Rameshbhai Gordhanbhai Dhingani	Independent Director	07946841	01/03/2018

The Company does not pay any remuneration to its Non-Executive Directors. Further, the Company had made payment of remuneration to its Executive Directors in terms of Section 196 & 197 of the Companies Act, 2013, read with Schedule V to the Act. No commission was paid to any of the Directors during the year under Report.

COMMITTEES OF BOARD OF DIRECTORS:

As per provisions of the Companies Act, 2013 and listing regulations, Company has established and constituted three committees viz. Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee as a part of better corporate governance practice. Composition of such committees also available on the website of the company at <https://www.gangaforging.com/investorrelation/compositioncommittee>

1. AUDIT COMMITTEE:

Composition of the Audit Committee meets the requirement of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015. The Audit Committee comprised of 3 members. The details of composition of the Audit Committee along with their meetings held and attended is as follow:

Sr No.	Name	Status	Category	No. of Meetings held/attended
1	Mr. Harshad Ashar	Chairperson	Non-Executive & Independent Director	4/4
2	Mr. Mayur Kalaria	Member	Non-Executive Director	4/4
3	Mr. Ramesh Dhingani	Member	Non-Executive & Independent Director	4/4

During the year under report, meetings of the Audit Committee were held on 29/05/2019, 02/09/2019, 14/11/2019 and 12/03/2020 and the said meetings were attended by all the committee members.

2. NOMINATION AND REMUNERATION COMMITTEE:

Composition of the Nomination and Remuneration Committee meets the requirement of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015. The Nomination and Remuneration Committee comprised of 3 members. The details of composition of the Nomination and Remuneration Committee along with their meetings held and attended is as follow:

Sr No.	Name	Status	Category	No. of Meetings held/attended
1	Mr. Ramesh Dhingani	Chairperson	Non-Executive & Independent Director	4/4
2	Mr. Mayur Kalaria	Member	Non-Executive Director	4/4
3	Mr. Harshad Ashar	Member	Non-Executive & Independent Director	4/4

During the year under report, meetings of the Nomination and Remuneration Committee were held on 29/05/2019, 02/09/2019, 14/11/2019 and 12/03/2020 and the said meetings were attended by all the committee members.

3. STAKEHOLDERS RELATIONSHIP COMMITTEE:

Composition of the Stakeholders Relationship Committee meets the requirement of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015. The Stakeholders Relationship Committee comprised of 3 members. The Stakeholders Relationship Committee is mainly responsible to review grievances related to security of the company and for redressal of any other complaints received from the investors/stakeholders of the company. The details of composition of the Stakeholders Relationship Committee along with their meetings held and attended is as follow:

Sr No.	Name	Status	Category	No. of Meetings held/attended
1	Mr. Harshad Ashar	Chairperson	Non-Executive & Independent Director	4/4
2	Mr. Rakesh Patel	Member	Managing Director	4/4
3	Mr. Ramesh Dhingani	Member	Non-Executive & Independent Director	4/4

During the year under report, meetings of the Stakeholders Relationship Committee were held on 29/05/2019, 02/09/2019, 14/11/2019 and 12/03/2020 and the said meetings were attended by all the committee members.

KEY MANAGERIAL PERSONNEL:

The Key Managerial Personnel (KMP) in the Company as per Section 2(51) and 203 of the Companies Act, 2013 are as follows:

1. Shri. Hiralal M. Tilva, Chairman and Managing Director
2. Mr. Rakesh Patel, Managing Director
3. Mrs. Sheetal S. Chaniara, Whole time Director
4. Mrs. Parulben R. Patel, Whole time Director
5. *Ms. Drashti Vaghasiya, Company Secretary and Compliance Officer

During the year under report CS Minal Lakhani, had resigned as Company Secretary of the company w.e.f. 14th May, 2019. Further, the Board had appointed CS Suraj Tiwari [ICSI Membership No. A52279] as the Company Secretary and Compliance Officer of the company w.e.f 22nd June, 2019. However, CS Suraj Tiwari had also resigned as Company Secretary of the Company w.e.f 19th December, 2019.

*Ms. Drashti Vaghasiya had been appointed as Company Secretary & Compliance Officer of the company w.e.f 04th November, 2020

PARTICULARS OF EMPLOYEES:

There are no employees in the Company drawing remuneration of more than Rs. 8.5 Lacs per month or 1.02 crore per annum, as prescribed in Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS:

Pursuant to the provisions of Section 134(3)(p) of the Companies Act, 2013 and Rules made thereunder, the Board has carried out annual performance evaluation of its own performance, the directors individually as well the evaluation of the working of its Audit Committee, Nomination & Remuneration Committee and Shareholders Relationship committee, experience and expertise, performance of specific duties and obligations etc. were carried out. The Directors expressed their satisfaction with the evaluation process and outcome.

The performance of each of the non-independent directors (including Chairman) was also evaluated by the independent directors at the separate meeting held of the Independent Directors of the Company.

COST RECORDS AND AUDIT:

The company is not required to maintain cost records as prescribed by the Central Government under Section 148(1) of the Companies Act, 2013. Therefore, no cost records have been maintained by the company. Therefore, requirements for cost audit shall not applicable to the company.

COMPLIANCE WITH SECRETARIAL STANDARDS:

The Company has complied with all the applicable Secretarial Standards in the Financial Year 2019-20 as issued by the Institute of Company Secretaries of India (ICSI).

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

At Ganga Forging Limited, all employees are of equal value. There is no discrimination between individuals at any point on the basis of race, colour, gender, religion, political opinion, national extraction, social origin, sexual orientation or age.

At Ganga Forging Limited, every individual is expected to treat his/her colleagues with respect and dignity. This is enshrined in values and in the Code of Ethics & Conduct of Ganga Forging Limited. The Direct Touch (Whistle-Blower & Protection Policy) Policy provides a platform to all employees for reporting unethical business practices at workplace without the fear of reprisal and help in eliminating any kind of misconduct in the system. The Policy also includes misconduct with respect to discrimination or sexual harassment.

The Company also has in place a policy on “Prevention of Sexual Harassment at work place” and the same is also available on the website of the company at <https://www.gangaforging.com/investorrelation/policiesandcodeofconduct> This Anti-Sexual Harassment Policy of the Company is in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. All employees (permanent, contractual, temporary and trainees) are covered under this policy.

An Internal Complaints Committee (ICC) is in place to redress complaints received regarding sexual harassment. The following is a summary of sexual harassment complaints received and disposed off during the year:

- No. of complaints received: Nil
- No. of complaints disposed off : NA

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

In Terms of the Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015, Management Discussion and Analysis report has been separately furnished in the Annual Report and forms part of the Board of Directors Report as “**ANNEXURE- IV**”.

RATIO OF REMUNERATION OF EACH DIRECTOR TO THE MEDIAN REMUNERATION OF THE EMPLOYEES OF THE COMPANY FOR THE FINANCIAL YEAR 2019-20:

The information required pursuant to provision of Section 197(12) read with rule 5(1)(i) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of ratio of remuneration of each director to the median remuneration of the employee of the company for the F.Y. 2019-20 forms part of this report as “**ANNEXURE- V**”.

DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

The company has in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting is operating effectively. The Company is well equipped with internal financial controls. The Company has continuous monitoring mechanism which enables the organization to maintain the same standards of the control systems and help them in managing defaults, if any, on timely basis because of strong reporting mechanisms followed by the Company. Our statutory auditor of the company has

also provided his opinion on adequacy of internal financial control system in the audit report.

INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

During the year under review, the provision of section 125(2) of the Companies Act, 2013 does not apply as the company was not required to transfer any amount to the Investor Education and Protection Fund (IEPF) established by Central Government of India.

INDUSTRIAL RELATIONS:

The Company maintained healthy, cordial and harmonious industrial relations at all levels. The enthusiasm and unstinting efforts of employees have enabled the Company to remain at the leadership position in the industry. It has taken various steps to improve productivity across organization.

SUBSIDIARIES, JOINT VENTURE OR ASSOCIATE COMPANIES:

As at 31st March, 2020, the Company doesn't have any Subsidiary, Joint Venture or Associate Companies.

OTHER DISCLOSURES AS REQUIRED UNDER THE PROVISIONS OF THE COMPANIES ACT, 2013 AND RULES MADE THEREUNDER:

1. There have been no material changes/commitments affecting the financial position of the company which have occurred between the end of the financial year to which the financial statements relate and the date on report;
2. During the year under review your company has not accepted the deposit from the public under section 73 to 76 of the Companies Act, 2013 and the rules made thereunder;
3. No significant or material orders were passed by the Regulators or courts or tribunals which impact the going concern status and company's operations in future
4. There have been no instances of any revision in the Board's Report or the financial statement; hence disclosure under Section 131(1) of the Act is not required.
5. The Company has not paid any commission to any of its Directors and hence, provision of disclosure of commission paid to any Director as mentioned in Section 197(14) is not required to disclose.

6. The Company has not issued (a) any shares with differential voting rights (b) Sweat Equity shares (c) shares under any Employee stock option scheme; hence no disclosures are required to be made as per the Companies (Share Capital and Debentures) Rules, 2014.

ACKNOWLEDGEMENT:

Your Directors place on record their gratitude to the government authorities and Company's Bankers for the assistance co-operation and encouragement they extended to the Company. Your Directors also wish to place on record their sincere thanks and appreciation for the continuing support and efforts of investors, vendors, dealers, business associates and employees in ensuing and excellent all around operational performance.

Date : 27/11/2020

Place : Shapar (Veraval)

By Order of the Board of Directors
For, Ganga Forging Limited

Sd/-
(Hiralal Tilva)
Chairman & Managing Director
[DIN: 00022539]

"Annexure - I"

FORM MGT 9 - EXTRACT OF ANNUAL RETURN

"ANNEXURE - A" TO DIRECTORS' REPORT

(Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management & Administration) Rules, 2014)

Financial Year ended on 31/03/2020

(I) REGISTRATION AND OTHER DETAILS:

(i)	CIN	L28910GJ1988PLC011694
(ii)	Registration date	29 th December, 1988
(iii)	Name of the Company	GANGA FORGING LIMITED
(iv)	Category Sub-category of the Company	Company limited by shares Indian Non- Government company
(v)	Address of the Registered Office and Contact Details	<u>Address of Registered Office:</u> Plot No 1 S No 298 & 30 Rajkot Gondal National Highway, Veraval (Shapar) Rajkot 360024, Gujarat, India <u>Contact Details:</u> Phone: 02827-252208/252077 E-Mail Id: gangaforging@yahoo.co.in
(vi)	Whether Listed Company? Yes/No	Yes
(vii)	Name, address and contact details of Registrar and Share Transfer Agent.	Link Intime India Private Limited, 247 Park, C-101, LBS Marg, Vikhroli (West), Mumbai-400 083 Phone: 022-49186270, Fax: 022- 49186060 Email: rnt.helpdesk@linktime.co.in Web: www.linkintime.co.in

(II) PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

Sr. No.	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
01	Forging of Articles	25910	97.08%

(III) PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and address of the Company	CIN/GLN	Holding/Subsidiary/Associate	% of Shares held	Applicable Section
01	NONE				

(IV) SHAREHOLDING PATTERN: (Equity Share Capital Break up as % to total Equity)**(i) CATEGORY - WISE SHARE HOLDING:**

Sr. No.	Category of Shareholders	No of Shares held at the beginning of the year 01.04.2019				No of Shares held at the end of the year 31.03.2020				% Change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A	PROMOTERS									
(1)	Indian									
(a)	Individual/HUF	53,74,903	---	53,74,903	67.53%	53,74,903	---	53,74,903	67.63%	---
(b)	Central Govt.	---	---	---	---	---	---	---	---	---
(c)	State Govt.(s)	---	---	---	---	---	---	---	---	---
(d)	Bodies Corp.	---	---	---	---	---	---	---	---	---
(e)	Banks/FIs	---	---	---	---	---	---	---	---	---
(f)	Any Other	---	---	---	---	---	---	---	---	---
Sub - Total (A) (1)		53,74,903	---	53,74,903	67.63%	53,74,903	---	53,74,903	67.63%	---
(2)	Foreign									
(a)	NRI - Individuals	---	---	---	---	---	---	---	---	---
(b)	Other - Individuals	---	---	---	---	---	---	---	---	---
(c)	Bodies Corp.	---	---	---	---	---	---	---	---	---
(d)	Banks/FI	---	---	---	---	---	---	---	---	---
(e)	Any Other	---	---	---	---	---	---	---	---	---
Sub - Total (A) (2)		---	---	---	---	---	---	---	---	---
	TOTAL Shareholding of Promoter (A) = (A) (1) + (A) (2)	53,74,903	---	53,74,903	67.63%	53,74,903	---	53,74,903	67.63%	---

B	PUBLIC SHAREHOLDING									
1	Institutions									
(a)	Mutual Funds	---	---	---	---	---	---	---	---	---
(b)	Banks/FI	---	---	---	---	---	---	---	---	---
(c)	Central Govt.	---	---	---	---	---	---	---	---	---
(d)	State Govt.	---	---	---	---	---	---	---	---	---
(e)	Venture Capital Funds	---	----	----	----	---	----	---	----	---
(f)	Insurance Companies	---	---	---	---	---	---	---	---	---
(g)	FIIIs	---	---	---	---	---	---	---	---	---
(h)	Foreign Venture Capital Funds	---	---	---	---	---	---	---	---	---
(i)	Others (Clearing Member)	24000	---	24000	0.30	---	---	----	----	(0.30)
	Sub - Total (B) (1)	24000	---	24000	0.30	---	---	----	----	(0.30)
2	Non-Institutions									
(a)	Bodies Corporate	---	---	---	---	---	---	---	---	---
(i)	Indian	1,62,092	---	1,62,092	2.04	2,34,244	---	2,34,244	2.95	0.91
(ii)	Overseas	---	---	---	---	---	---	---	---	---
(b)	Individuals									
(i)	Individual shareholders holding nominal share capital upto Rs.1 Lakh	2,99,908	---	2,99,908	3.77	2,33,908	---	2,33,908	2.94	(0.83)

(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh.	19,84,428	---	19,84,428	24.97	20,14,276	---	20,14,276	25.34	0.37
(c)	Others (HUF)	1,02,000	---	1,02,000	1.28	90,000	---	90,000	1.13	(0.15)
	Sub-total(B) (2)	25,48,428		25,48,428	32.06	25,72,428	---	25,72,428	32.36	---
	Total Public shareholding (B)=B(1)+B(2)	25,72,428	---	25,72,428	32.37	25,72,428	---	25,72,428	32.36	---
C	Shares held by Custodian for ADRs and GDRs.	---	---	---	---	---	---	---	---	---
GRAND TOTAL		79,47,331	---	79,47,331	100	79,47,331	---	79,47,331	100	---

(ii) SHAREHOLDING OF PROMOTERS:

Sr. No.	Shareholder's name	Shareholding at the beginning of the year 01.04.2019			Shareholding at the end of the year 31.03.2020			% Change of total capital as on 31.03.2020
		No. of Shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	No. of Shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	
1	Hiralal Mahidas Tilva	12,02,047	15.12	NA	12,02,047	15.12	NA	--
2	Rakesh Chhaganlal Patel	6,46,668	8.13	NA	6,46,668	8.13	NA	--
3	Sheetal Sanjivkumar Chaniara	2,80,000	3.52	NA	2,80,000	3.52	NA	--
4	Hetal Mayurkumar Kalaria	2,80,000	3.52	NA	2,80,000	3.52	NA	--
5	Avni Nileshkumar Dadhaniya	2,80,000	3.52	NA	2,80,000	3.52	NA	--
6	Daxaben Hiralal Tilva	4,55,000	5.72	NA	4,55,000	5.72	NA	--
7	Manishkumar Chhaganlal Patel	6,46,666	8.13	NA	6,46,666	8.13	NA	--
8	Shitalben Manishkumar Nar	7,32,761	9.22	NA	7,32,761	9.22	NA	--
9	Parulben Rakeshbhai Patel	7,32,761	9.22	NA	7,32,761	9.22	NA	--
10	Sanjiv Vasantkumar Chaniara	1,19,000	1.49	NA	1,19,000	1.49	NA	--
GRAND TOTAL		53,74,903	67.63%		53,74,903	67.63%		

(iii) CHANGE IN PROMOTER'S SHAREHOLDING:

Sr. No	Particulars	Shareholding at the beginning of the year 01.04.2019			Increasing Decreasing in Share holding	Reason	Cumulative Shareholding during the year 01.04.2019 to 31.03.2020	
		No. of Shares	% of total shares of Company	Date			No. of Shares	% of total shares of the Company
01	Hiralal Mahidas Tilva	12,02,047	15.12	---	---	NA	12,02,047	15.12
02	Rakesh Chhaganlal Patel	6,46,668	8.13	---	---	NA	6,46,668	8.13
03	Sheetal Sanjivkumar Chaniara	2,80,000	3.52	---	---	NA	2,80,000	3.52
04	Hetal Mayurkumar Kalaria	2,80,000	3.52	---	---	NA	2,80,000	3.52
05	Avni Nileshkumar Dadhaniya	2,80,000	3.52	---	---	NA	2,80,000	3.52
06	Daxaben Hiralal Tilva	4,55,000	5.72	---	---	NA	4,55,000	5.72
07	Manish kumar Chhaganlal Patel	6,46,666	8.13	---	---	NA	6,46,666	8.13
08	Shitalben Manishkumar Nar	7,32,761	9.22	---	---	NA	7,32,761	9.22
09	Parulben Rakeshbhai Patel	7,32,761	9.22	---	---	NA	7,32,761	9.22
10	Sanjiv Vasantkumar Chaniara	1,19,000	1.49	---	---	NA	1,19,000	1.49

(iv) **SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS: (OTHER THAN DIRECTORS, PROMOTERS & HOLDERS OF GDRS & ADRS):**

Sr. No	Particulars	Shareholding at the beginning of the year 01.04.2019			Increasing Decreasing in Share holding	Reason	Cumulative Shareholding during the year 31.03.2020	
		No. of Shares	% of total shares of Company	Date			No. of Shares	% of total shares of the Company
1	Vishalkumar Rameshbhai Dadhania	2,40,000	3.01	---	---	---	2,40,000	3.01
2	Vijaybhai Navinchandra Kaneriya	2,34,000	2.94	---	---	---	2,34,000	2.94
3	Jaysukhlal Bhimji Aghera	1,62,000	2.03	05/04/2019	Increase	Transfer of 6,000 Shares	1,92,000	2.42
4	Pantomath Stock Brokers Private Limited	1,14,000	1.43					
				05/04/2019	Increase	Transfer of 12,000 Shares	1,26,000	1.58
				31/05/2019	Increase	Transfer of 6,000 Shares	1,32,000	1.66
				02/08/2019	Increase	Transfer of 24,000 Shares	1,56,000	1.96
				09/08/2019	Increase	Transfer of 6,000 Shares	1,62,000	2.04
				23/08/2019	Increase	Transfer of 6,000 Shares	1,68,000	2.11
				30/09/2019	Increase		1,74,000	2.19

						Transfer of 6,000 Shares		
				11/10/2019	Decrease	Transfer of (6,000) Shares	1,68,000	2.11
				31/03/2019	Increase	Transfer of 6,000 Shares	1,74,000	2.19
5.	Nishant J Aghera	150000	1.89	10/05/2019	Increase	Transfer of 12,000 Shares	1,62,000	2.04
6.	Ishita Nishant Aghera	126000	1.58	27/03/2020	Increase	Transfer of 18,000 Shares	1,44,000	1.81
7.	Sadamhusen Amadbhai Kalavaniya	126000	1.58	---	---	---	126000	1.58
8	Sandeepkumar Vasantbhai Chaniara	119000	1.49	---	---	---	119000	1.49
9	Darshan V Zalawadia	96000	1.20	---	---	---	96000	1.20
10	Chimanlal Popatlal Mataliya	72000	0.91	---	---	---	72000	0.91

(v) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sr. No.	Name	Shareholding at the beginning of the year i.e. 01.04.2019		Shareholding at the end of the year i.e. 31.03.2020	
		No. of shares	% of total shares of company	No. of shares	% of total shares of the company
A.	Key Managerial Personnel				
1.	Hiralal Mahidas Tilva	12,02,047	15.12	12,02,047	15.12
2.	Rakesh Chhaganlal Patel	6,46,668	8.13	6,46,668	8.13
3.	Sheetal Sanjivkumar Chaniara	2,80,000	3.52	2,80,000	3.52
4.	Parulben Rakeshbhai Patel	7,32,761	9.22	7,32,761	9.22
5.	Avni Nileshkumar Dadhaniya	2,80,000	3.52	2,80,000	3.52
B.	Director				
1.	Mayurkumar Mansukhlal Kalaria	---	---	---	---
Total		31,41,476	39.51%	31,41,476	39.51%

(V) INDEBTEDNESS:

Particulars	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i)Principal Amount	11,98,48,697/-	68,52,647/-	---	12,67,01,344/-
(ii)Interest due but not paid	---	---	---	---
(iii)Interest accrued but not due	---	---	---	---
Total (i+ii+iii)	11,98,48,697/-	68,52,647/-	---	12,67,01,344/-
Change in Indebtedness During the financial year				
• Addition	---	---	---	---
• Reduction	44,01,141/-	65,48,297/-	---	1,09,49,438/-
Net Change	(44,01,141/-)	(65,48,297/-)	---	(1,09,49,438/-)
Indebtedness at the end of the financial year				
(i)Principal Amount	11,54,47,556/-	3,04,350/-	---	11,57,51,906/-
(ii)Interest due but not paid	---	---	---	---
(iii)Interest accrued but not due	---	---	---	---
Total (i+ii+iii)	11,54,47,556/-	3,04,350/-	---	11,57,51,906/-

(VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director and/or Manager:

Sr. No	Particulars of Remuneration	Managing Director		Total Amount
		Hiralal Tilva	Rakesh Patel	
1.	Gross Salary:	17,00,000	22,00,000	39,00,000
	(a) Salary as per provision contained in section 17(1) of the Income tax Act, 1961	---	---	---
	(b) Value of perquisites under section 17(2) Income-tax Act, 1961	---	---	---
	© Profits in lieu of salary under section 17(3) Income-tax Act, 1961	---	---	---
2.	Stock option	---	---	---
3.	Sweat equity	---	---	---
4.	Commission:			
	- As % of profit	---	---	---
	- Other, specify...			
5.	Others, please specify	---	---	---
Total (A)		17,00,000	22,00,000	39,00,000

B. Remuneration of Whole-time Directors:

Sr. No	Particulars of Remuneration	Whole-time Director		Total Amount
		Sheetal Chaniara	Parulben Patel	
1.	Gross Salary:	3,30,000	3,30,000	6,60,000
	(a) Salary as per provision contained in section 17(1) of the Income Tax Act, 1961	---	---	---
	(b) Value of perquisites under section 17(2) Income-tax Act, 1961	---	---	---
	(C) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	---	---	---
2.	Stock option	----	---	---
3.	Sweat equity	----	---	---
4.	Commission:			
	- As % of profit	---	---	---
	- Other, specify...			
5.	Others, please specify	---	---	---
Total (A)		3,30,000	3,30,000	6,60,000

C. Remuneration to other Directors:

Sr No	Particulars of Remuneration	Name of Directors			Total Amount
1	<p style="text-align: center;">Independent Director</p> <p>Fees for attending Board/ Committee Meeting</p> <p style="text-align: center;">Commission</p> <p>Other, please specify</p> <p style="text-align: center;">TOTAL (B) (1)</p>	---	---	---	---
2	<p style="text-align: center;">Other Non-Executive Director</p> <p>Fees for attending Board/ committee meeting</p> <p style="text-align: center;">Commission</p> <p>Other, please specify</p> <p style="text-align: center;">TOTAL (B) (2)</p>	---	---	---	---
	TOTAL (B) (2)	---	---	---	---
	Total(B) = (1+2)	---	---	---	---
	Total Managerial Remuneration	---	---	---	---

D. Remuneration to Key Managerial Personnel other than as Managing Director/Manager/Whole-time Director:

Sr No	Particulars of Remuneration	Key Managerial Personnel			
		Company Secretary		CFO	Total
		*Minal Lakhani	**Suraj Tiwari	Avni Dadhania	
1.	Gross Salary				
	<ul style="list-style-type: none"> • Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 	89,615	1,75,853	3,30,000	5,95,468
	<ul style="list-style-type: none"> • Value of perquisites under section 17(2) Income tax Act, 1961 	---	---	---	---
	<ul style="list-style-type: none"> • Profit in lieu of salary under section 17(3) Income tax, 1961 	---	---	---	---
2.	Stock Option	---	---	---	---
3.	Sweat Equity	---	---	---	---
4.	Commission				
	<ul style="list-style-type: none"> • As % of profit 	---	---	---	---
	<ul style="list-style-type: none"> • Other, specify 	---	---	---	---
5.	Other, please, specify	---	---	---	---
	Total	89,615	1,75,853	3,30,000	5,95,468

*CS Minal Lakhani had resigned as Company Secretary and Compliance Officer of the Company w.e.f 14th May, 2020

*CS Suraj Tiwari had been appointed as a Company Secretary and Compliance Officer w.e.f 22nd June, 2019 and resigned w.e.f 19th December, 2019

(VII) PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty	---	---	---	---	---
Punishment	---	---	---	---	---
Compounding	---	---	---	---	---
B. DIRECTORS					
Penalty	---	---	---	---	---
Punishment	---	---	---	---	---
Compounding	---	---	---	---	---
C. OTHER OFFICERS IN DEFAULT					
Penalty	---	---	---	---	---
Punishment	---	---	---	---	---
Compounding	---	---	---	---	---

**By Order of the Board of Directors
For, Ganga Forging Limited**

Date: 27/11/2020

Place:Veraval (Shapar)

Sd/-

(Hiralal M. Tilva)

Chairman & Managing Director

[DIN: 00022539]

“Annexure II”

Form AOC - 2

Directors’ Report of Ganga Forging Limited

(Pursuant to Section 134 (3) (h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Section 188 (1) of the Companies Act, 2013 including certain arm’s length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm’s length basis:

Name (s) of the related party	Nature of relationship	Nature of contracts/arrangements/transaction	Duration of the contracts/arrangements/transaction	Salient Features & value	Date of approval by the Board	Amount paid as advances, if any
---	---	---	--	--	--	--

2. Details of material contracts or arrangements or transactions at Arm's length basis:

Name (s) of the related party	nature of relationship	Nature of contracts/ arrangements/ transaction	Duration of the contracts/ arrangements /transaction	Salient Features & value	Date of approval by the Board	Amount paid as advances, if any
Sandeep Enterprise	Concern (Partnership Firm) in which Director is interested	Jobwork Charges paid	Ongoing	Total value Rs. 14,254/-	14/05/2019	Nil
Crank & Crank	Concern (Partnership Firm) in which Director is interested	Jobwork Charges paid	Ongoing	Total value Rs. 89,496/-	14/05/2019	Nil
		Purchase of Material	Ongoing	Total value Rs. 39,05,955/-	14/05/2019	Nil
		Sales of Finished Goods	Ongoing	Total Value Rs. 16,28,045/-	14/05/2019	Nil

Date of approval by the Board: Not Applicable, since the contracts were entered into in the ordinary course of business and on arm's length basis.

**For & on behalf of the Board of Directors
For, Ganga Forging Limited**

**Date : 27/11/2020
Place : Veraval (Shapar)**

**Sd/-
(Hiralal Tilva)
Chairman & Managing Director
[DIN: 00022539]**

**Form No MR-3****SECRETARIAL AUDIT REPORT**For the Financial Year Ended 31stMarch, 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,**The Members,****Ganga Forging Limited**

Plot No 1 S No 298 & 30 Rajkot Gondal

N H Veraval (Shapar) Rajkot

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Ganga Forging Limited [CIN: L28910GJ1988PLC011694]** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of **Ganga Forging Limited** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its Officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended March 31, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2020 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the Rules made there under;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- III. The Depositories Act, 1996 and the Regulations and bye-laws framed there under;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

.....Continue at page no. 2

Continue from page no. 1

V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

- a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011(Note: - The Company had listed its securities on 10th October, 2017, so the Regulations were applicable to the Company only with effect from that day);
- c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (Note: - The Company had listed its securities on 11thJuly 2018, so the Regulations were applicable to the Company only with effect from that day);
- d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;**(Not applicable to the Company during the Audit Period);**
- f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period);**
- g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993; regarding the Companies Act and dealing with client -
- h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit Period);** and
- i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit Period);**

.... Continue at page no. 3

Continue from page no. 2

We have also examined, in general, compliance with the applicable clauses of the following:

- i. Secretarial Standards with respect to Meetings of Board of Directors and Committees (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India and made effective 1st July, 2015) and revised (SS-1) & (SS-2) were effective from 1st October, 2017.
- ii. The Listing Agreement entered into by the Company with NSE LTD - SME Emerge as per SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.
- iii. The Company had made its Initial Public Offer (IPO) from 29th June 2018 to 3rd July 2018, and had allotted 23,82,000 equity shares of Rs. 10/- each at premium of Rs. 11/- each, aggregating to Rs. 500.22 lacs. As far as utilization of IPO funds, we had relied upon the Declaration filed by the Company with the NSE.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, subject to the following observations:

- (a) The Company has filed Resolutions for approval of Financial Statements and other business items for year 2018-19, with the Registrar of Companies, Gujarat, after completion of 30 days with payment of additional fees on 29.06.2019.
- (b) The Company had not filed One Time Return of Deposit upto its prescribed date i.e. 30th June, 2019.
- (c) The Company had not filed the Form MGT 14, for Registration of the Resolution for Resignation & appointment of Company Secretaries (Key Managerial Personnel) effected from 14.05.2019 and 22.06.2019, respectively.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

.....Continue at page no. 4

Continue from page no. 3

Decisions at the meetings of the Board of Directors/ Committees of the Company were carried unanimously. We were informed that there were no dissenting views of the members on any of the matters during the year that were required to be captured and recorded as part of the minutes.

- I. **We further report that** based on the review of compliance mechanism established by the information provided by the company, its officers and authorised representatives during the conduct of the audit and compliance certificate (s) placed before the board meeting, there are adequate systems and processes in the company commensurate with the size and its operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines such as Environment Protection Act, 1986 and other environmental laws; Factories Act, 1948; Trade Marks Act, 1999 and rules, notification issued under Employees Provident Fund and Miscellaneous Provisions Act, 1952; and other applicable labour laws and Indian Stamp Act, 1999;

We further report that during the audit period, there were no instances of:

- (i) Rights / Preferential issue of shares / debentures / sweat equity.
- (ii) Redemption / buy-back of securities.
- (iii) Merger/ amalgamation/reconstruction etc.
- (v) Foreign technical collaborations.

We further report that:

The Compliance by the Company of the applicable financial laws, like Direct and Indirect Tax Laws has not been reviewed in this Audit Since the same have been subject to the review by the Statutory Auditors and other designated professionals.

Place: Rajkot
Date : 21.07.2020

For, MJP Associates
Practising Company Secretaries
Firm Reg. No. P2001GJ007900

Sd/-
(CS Purvi Dave)
Partner
ACS No. 27373 CP 10462
UDIN: A027373B000481101

Please note that the Secretarial Audit report is to be read with my letter of even date attached as Annexure A to the report and letter also forms the integral part of report.

.... Continue at page no. 5

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ANNEXURE A

To,
The Members,
Ganga Forging Limited
Plot No 1 S No 298 & 30 Rajkot Gondal
N H Veraval (Shapar) Rajkot, Gujarat

Our Secretarial Audit Report of even date for the Financial Year ended **on 31st March, 2020** is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We, have relied on the representations made by the Company and its officers for systems and mechanisms formed by the Company for compliances under other laws and regulations applicable to the Company and verification of documents and records procedures on test check basis.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards are the responsibility of management.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Rajkot
Date : 21.07.2020

For, MJP Associates
Practising Company Secretaries
Firm Reg. No. P2001GJ007900

Sd/-
(CS Purvi Dave)
Partner
ACS No. 27373 CP 10462
UDIN: A027373B000481101

“Annexure-IV”

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry Structure and Development:

Casting and forging are one of the key engineering segments supplying various components to end user industries such as Railway, Automobile, Defense, Aerospace, Material handling, Construction equipment and mines. The Indian auto components industry has experienced healthy growth over the last few years. The auto components industry accounts for almost 7% of India’s Gross Domestic Product (GDP) and employs as many as 25 million people directly or indirectly. Currently India is the world’s third largest casting producer. This will further open more opportunities for casting and forging industries both for production and for exports. No industrial product can be considered as complete without the process of casting and forging. The Indian casting and forging sector has equipped itself to retain its powers to accelerate revenue from the auto sector. Heavy expansion by way of organic and inorganic growth has been playing an important role in this industry.

Forging players are taking initiatives to acquire technology, knowledge, experience and expertise in the industry. The Indian casting and forging industry has gone through upgradation to be in synchronization with the international practice.

The automotive industry depends significantly on steel forged metal components. Forged steel is used for demanding applications such as Crankshafts, transmission gears, and bearings is essential in handling the certain components. Intense competition among the key player is majorly driving the demand for more attractive and lightweight vehicles in the country. The industry is looking at double growth rates spurred by imminent demand from emerging sectors, resulting in an increase in the set-up of foreign business in India.

“The Indian Casting and Forging industry witnessing a robust growth in demand.”

Company Overview:

Ganga Forging Limited was originally incorporated as “Ganga Forging Private Limited” as a private limited company in the year 1988 by qualified technocrats and subsequently converted into a public limited company.

Ganga Forging Limited is manufacturer in forging industry and is engaged in manufacturing of closed die forged products catering to both automotive and nonautomotive segment. Automotive segment includes manufacturing of products catering to commercial vehicle, passenger car, three wheelers, two wheeler and tractor. Non-automotive segment includes electric power transmission, dairy equipment manufacturing, agricultural, gear and gear box, crank shafts, connecting rod, heavy engineering industrial, hubs and flanges.

Our Company also complies with Quality Assurance System like ISO and strives to deliver quality products to the customers. Our Company is **ISO 9001:2008** certified. We believe in manufacturing and delivering quality products and our manufacturing process is under constant supervision by Engineers. The entire system is backed by proper documentation, traceability until the end product, with full proof checks required as per ISO regulations. We are dedicated towards supply of quality products by controlling the procurement of our raw material, monitoring the process parameters and maintaining appropriate measures to comply with applicable statutory and regulatory requirements of our products.

Opportunities and Strength:

1. Experienced Promoters and Management

Shri Hiralal Tilva, Promoter as well as Managing director and Mr. Rakesh Patel, Promoter as well as Managing Director of the Company is having experience of more than two decades in the line of forging manufacturing.

We are led by a dedicated senior management team with two decade of experience in forging manufacturing. We believe our senior management team leverages our market position and their collective experience and knowledge in the industry, to execute our business strategies and drive our future growth. In addition, we believe the strength and entrepreneurial vision of our Promoters and senior management has been instrumental in driving our growth and implementing our strategies. In addition, we have an experienced team of employees.

2. Strong Relationship with reputed institutional customers

Build positive relations through outstanding service with each interaction. We believe that our operations and quality control processes have enabled us to develop strong relationships with our customers over the years.

3. Operational Excellence

We strive to deliver the highest quality and value possible through simple, easy and relevant solutions.

4. Quality Control

Quality is an expression of our goal to offer reliable products and service. We are committed to maintain quality for the satisfaction of our customer. Our Company is **ISO 9001:2008** certified. We have established a quality control team which has the responsibility to ensure compliance with manufacturing practices.

5. Innovation

Imagine what is possible. Foster creativity that challenges constraints and drive progress

Threats and risk:

- i. Significant Economic changes
- ii. Technological advancement and changes
- iii. Significant changes in Government or regulatory policies
- iv. Competitive prices

Internal Control Systems and their adequacy:

There is an adequate internal control system commensurate with the size of the company and nature of the business for inventory, fixed assets and for the sale of goods or services. The Company has implemented proper and adequate systems of internal control to ensure that all assets are safeguarded and protected against loss from any unauthorized use or disposition and all transactions are authorized, recorded and reported correctly. The system ensures appropriate information flow to facilitate effective monitoring. The internal audit system also ensures formation and implementation of corporate policies for financial, reporting, accounting and information security.

The Company has constituted Audit committee to overlook the internal control systems and their adequacy. Audit committee regularly reviews and gives recommendations on proper and adequate internal control systems.

Financial performance:

During the Financial year 2019-20, the Company has earned Net revenue from the operations of Rs 23.66 Crores as compared to previous year revenue i.e Rs 27.87 Crores. Further during the year 201-20 company has report net loss of Rs. 2,80,20,435/- . Your Company's business cycle faced industry related challenges confronted with all and came out with the above results.

Segments:

Ganga Forging Limited is operating in only one segment. Hence, comments on segments are not required.

Human Resources:

Our company is committed to providing work environment that ensures every employee is treated with dignity and respect and equitable treatment for all irrespective of their designation. The company is also committed to promoting a work environment that is conducive to the professional growth of the employees and encourages equality of opportunity.

Further, the company will not tolerate any form of sexual harassment and is committed to take all necessary steps to ensure that the employees are not subjected to any form of harassment. Company always be responsible for the safety of employees as well as the public. Create a positive and dynamic work environment that enable personal achievements, work life balance and business success. We inspire each other to explore ideas that can make the community and world better place.

“Annexure-V”

Particulars pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The ratio of remuneration of each director to the median remuneration of the employees of the company for the financial year:	Name	Ratio
	Shri. Hiralal Tilva	11:1
	Mr. Rakesh Patel	14.25:1
	Mrs. Sheetal Chaniara	2.14:1
Mrs. Parul Patel	2.14:1	
The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager in any, in financial year;	There is no increase in the remuneration during the year under report.	
The percentage increase in the median remuneration of employees in the financial year;	There was an increase of 7.25% in the median remuneration of employees in the financial year.	
The number of permanent employees on the pay rolls of the company;	73	
Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	There has been no increase in the remuneration of managerial personnel during the current financial year.	
The key parameters for any variable component of remuneration availed by the directors;	There is no variable component in the remuneration of director	
We confirm that remuneration is as per the remuneration policy of the company		



INDEPENDENT AUDITOR'S REPORT

To,
The Members
Ganga Forgings Limited
Vill. Shapar (Veraval),
Rajkot-360 024

Report on the Audit of the Standalone Financial Statements:

Opinion:

We have audited the standalone financial statements of **Ganga Forgings Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2020, the Statement of Profit and Loss and statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31st, 2020, its profit and its cash flows for the year ended on that date.

Basis for Opinion:

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence, we have obtained, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.



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Nitesh A. Joshi & Co.

Chartered Accountants

Sr. No.	Key Audit Matter	Auditor's Response
1	Recoverability of Trade Receivables Rs. 94.45 Lakhs classified as doubtful under Note 16 to the Audited Financial Statement.	<p>i. Obtained an understanding of the determination of recoverability and assessed and tested the reasonableness of the significant judgements applied by the management.</p> <p>ii. Evaluated the design of internal controls relating to the trade receivable and also tested the operating effectiveness of the aforesaid controls.</p> <p>iii. Performed analytical procedure and test of details for reasonableness of efforts by the management.</p>
2	<p>Inventory Valuation and existence</p> <p>Inventory valuation and existence was an audit focus area because of number of locations that inventory was held at and judgement applied in the valuation of inventory to incorporate inventory shrinkage.</p> <p>As described in notes to financial statements, inventories are carried at the lower of cost and net realizable value on weighted average basis.</p>	<p>Our Audit procedures for assessing the valuation of inventories as per Company's policy included but were not limited to the following.</p> <p>i. Understood the management process for determining valuation of inventories and tested whether the same is consistency applied;</p> <p>ii. Evaluated and tested on a sample basis the design and operating effectiveness of key controls around inventory valuation operating within the Company.</p> <p>iii. Inquired with the management about the slow moving and obsolete inventories as at 31 March 2020 and evaluated the assessment prepared by the management including forecasted uses of these inventories on a test check basis.</p> <p>iv. Assessed the appropriateness of disclosures in the financial statements in accordance with the applicable accounting standards.</p>

Information Other than the Financial Statements and Auditor's Report Thereon:

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, for example, Corporate Overview, Key Highlights, Board's Report, Report on Corporate Governance, Management Discussion & Analysis Report, Business Responsibility Report, etc., but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statement, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.



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Chartered Accountants

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Standalone Financial Statements :

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements :

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Report on Other Legal and Regulatory Requirements :

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that;
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.



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Nitesh A. Joshi & Co.

Chartered Accountants

- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The Company does not have any pending litigations which would impact its financial position except Para vii(b) of Annexure "A" of our Report;
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - The company is not required to transfer any amounts to the Investor Education and Protection Fund by the Company.

Date : 29-June-2020
Place: Rajkot

For, Nitesh A. Joshi & Co.,
Chartered Accountants
F.R.N. 127578W



(Nitesh A Joshi)
Partner

Membership No. 124272
UDIN: 20124272AAAADM6052

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Annexure A to the Independent Auditor's Report

Referred to in paragraph 1 under "Report on other Legal and Regulatory requirements" section our report of even date;

- i (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular program of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain fixed assets were physically verified by the management during the year. As informed to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company. In respect of immovable properties of land and buildings that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
- ii Inventories, except for goods-in-transit and stocks lying with third parties, if any, have been physically verified by the management.
In our opinion, the frequency of such verification is reasonable. Discrepancies noticed on such verification between physical stocks and the book records were not material and these have been properly dealt with in the books of account.
- iii. The Company has not granted unsecured loan to a company covered in the register maintained under Section 189 of the Act; hence Para iii (a), (b) and (c) are not applicable.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, in respect of loans/ guarantees given, investments made and securities provided by it.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act.
- vi. The company is not required to maintain cost records as prescribed by the Central Government under Section 148(1) of the Act.
- vii* According to the records of the Company examined by us and information and explanations given to us:
 - (a) Undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and services tax, cess and others as applicable have generally been regularly deposited with the appropriate authorities except delay in few cases. There are no undisputed amounts payable in respect of aforesaid dues outstanding as at 31 March 2020 for a period of more than six months from the date they became payable except Income Tax Payable Rs. 1342501, GST Payable Rs. 1505307 and Gratuity Payable Rs. 1711100 outstanding as at 31st March, 2020 for a period more than six month from the date they became payable.
 - (b) We have been informed by the management that there are no disputed dues under Income Tax, GST and Excise Duty.





Nitesh A. Joshi & Co.

Chartered Accountants

- viii. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institutions, banks, government or dues to debenture holders.
- ix. According to the records of the Company examined by us and the information and explanations given to us, the company has not raised, during the year, money by way of initial public offer and term loans which were applied for the purpose for which those are raised.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have been informed of any such case by the Management.
- xi. According to the records of the Company examined by us, and information and explanations given to us, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.
- xiv. According to the records of the Company examined by us and information and explanations given to us, the company has not made any preferential allotment or private placement of shares during the year under review.
- xv. According to the records of the Company examined by us, and information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with him.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

Date : 29-June-2020
Place: Rajkot

For, Nitesh A. Joshi & Co.,
Chartered Accountants
F.R.N. 127578W




(Nitesh A Joshi)
Partner

Membership No. 124272
UDIN: 20124272AAAADM6052

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Annexure "B" to the Independent Auditor's Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Ganga Forging Limited of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 6(II)(f) under "Report on other Legal and Regulatory requirements" of our report of even date to the members of **Ganga Forgings Limited** on the standalone financial statements for the year ended 31st March 2020 We have audited the internal financial controls over financial reporting of **Ganga Forgings Limited** ("the Company") as of 31st March 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls:

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility:

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on "Audit of Internal Financial Controls over Financial Reporting" (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.





Nitesh A. Joshi & Co.

Chartered Accountants

Meaning of Internal Financial Controls Over Financial Reporting:

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that; (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting:

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion:

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

Date : 29-June-2020

Place: Rajkot

For, Nitesh A. Joshi & Co.,
Chartered Accountants
F.R.N. 127578W



(Nitesh A Joshi)
Partner

Membership No. 124272
UDIN: 20124272AAAADM6052

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GANGA FORGING LIMITED**F.Y. 2019 - 20**

Balance Sheet As on 31st March, 2020

(Amount in Rs.)

Particulars	Notes	As at	
		31st March, 2020	31st March, 2019
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	4	79473310	79473310
Reserves and Surplus	5	40506059	61660057
Money received against share warrants		0	0
Share application money pending allotment		0	0
		119979369	141133367
Non-Current Liabilities			
Long Term Borrowings	6	41602713	48897783
Deferred Tax Liabilities (Net)	7	0	3685451
Other Long Term Liabilities	8	0	17000
Long Term Provisions		0	0
		41602713	52600234
Current Liabilities			
Short Term Borrowings	9	70539190	68170910
Trade Payables	10	83468094	63334012
Other Current Liabilities	11	9577967	21186890
Short Term Provisions	12	5345720	6080815
		168930971	158772628
		330513053	352506228
Total Equity And Liabilities			
ASSETS			
Non-current assets			
Property, Plant & Equipment	13	154040691	156831596
Deferred Tax Assets (Net)	7	3180986	0
Non-current investments		0	0
Long term loans and advances	14	1865936	1865936
Other non-current assets	15	5325051	4869771
		164412664	163567303
Current assets			
Current investments		0	0
Inventories	16	73198023	87559080
Trade receivables	17	87776741	91526393
Cash and cash equivalents	18	662177	860331
Short-term loans and advances	19	4352802	8909931
Other current assets	20	110644	83189
		166100388	188938925
		330513053	352506228
Total Assets			

The accompanying Notes to Accounts are an integral part of the financial Statements

As per our report of even date

For and on behalf of the Board



For, Nitesh A. Joshi & Co.
Chartered Accountants
FRN : 127578W

(Nitesh A. Joshi)
Partner
MRN : 124272

Date : 29.06.2020
Place : Shapar (Veraval)

(Hiralal M. Tilva)
Chairman & Managing Director
DIN : 00022539

(Avni N. Dadhaniya)
Chief Financial Officer

R.C. Patel

(Rakesh C. Patel)
Managing Director
DIN : 00510990

UDIN : 20124272AAAA0MG052

GANGA FORGING LIMITED**F.Y. 2019 - 20**

Profit and Loss Accounts for the period ended on 31st March, 2020

(Amount in Rs.)

PARTICULARS	Notes	As at 31st March, 2020	As at 31st March, 2019
INCOME			
Revenue from operations	21	236579717	278753285
Other Income	22	1035575	1711049
Total Income		237615292	280464334
EXPENSES			
Cost of Material Consumed	23	160911379	189902613
Purchase of Finished Goods		0	0
Changes in Inventories of Finished Goods	24	8260450	-19758152
Employee Benefits Expense	25	22633196	19818791
Finance Costs	26	12681271	11181469
Depreciation / Amortisation of Expense	13	8802864	7361845
Other Expenses	27	52346568	65349330
Total Expenses		265635727	273855896
Profit Before exceptional and extraordinary item and Tax		-28020435	6608438
Exceptional Items			
Profit Before extraordinary item and Tax		-28020435	6608438
Extraordinary Items			
Profit Before Tax		-28020435	6608438
Tax Expenses			
Current Tax		0	1342501
Mat Credit Entitlement		0	-1274572
Deferred Tax		-6866437	1328997
Profit (Loss) for the period		-21153998	5211511
Earnings per Equity Share :			
Basic		-2.66	0.71
Diluted		-2.66	0.71

The accompanying Notes to Accounts are an integral part of the financial Statements
As per our report of even date

For and on behalf of the Board



For, Nitesh A. Joshi & Co.
Chartered Accountants
FRN : 127578W

(Nitesh A. Joshi)
Partner
MRN : 124272

Date : 29.06.2020
Place : Shapar (Veraval)

(Hiralal M. Tilva)
Chairman & Managing Director
DIN : 00022539

(Avni N. Dadhaniya)
Chief Financial Officer

(Rakesh C. Patel)
Managing Director
DIN : 00510990

UDIN: 20124272 AAAADMG052

GANGA FORGING LIMITED**F.Y. 2019 - 20****Cash Flow Statement for the period Ended on 31st March, 2020**

PARTICULARS	As at 31st March, 2020	As at 31st March, 2019
[A] Cash Flow From Operating Activities		
Net Profit / (Loss) Before taxes	-28020435	6608438
Adjustments for : - Depreciation	8802864	7361845
Mis. Expenses Written Off	452741	452741
Loss on sale of Assets	23041	0
Interes Paid	12681271	11181469
Operating Profit Before Working Capital Change	-6060518	25604492
(Increase)/Decrease in Current Asset	22640383	-42409723
Increase/(Decrease) in Current Liabilities	7790064	-4406620
(Increase)/Decrease in other Non Current Asset	-908021	4879514
Cash Generated From Operations	23461908	-16332336
Taxes Paid	0	-1996895
Net Cash From Operating Activities	23461908	-18329231
[B] Cash Flow From Investing Activities		
Sale of Fixed Assets	210000	5350423
Purchase of Fixed Assets	-6244999	-74483464
Net Cash Flow From Investing Activities	-6034999	-69133041
[C] Cash Flow From Financing Activities		
Increase/(Decrease) in Long Term Borrowings	-7295070	31531144
Increase/(Decrease) in Short Term Borrowings	2368279	17762657
Increase/(Decrease) in Long Term Liability	-17000	0
Increase/(Decrease) in Share Capital	0	23820000
Increase/(Decrease) in Security Premium	0	26202000
Interest Paid	-12681271	-11181469
Net Cash Flow From Financing Activities	-17625061	88134332
Total [A + B + C]	-198154	672060
(Increase)/Decrease in Cash and Cash Equivalents	198154	-672060
Cash and Cash Equivalent at the beginning of the year	860331	188271
Cash and Cash Equivalent at the end of the year	662177	860331

As per our report of even date

For, Nitesh A. & Co.
Chartered Accountants
FRN : 127578W



Date : 29.06.2020
Place : Shapar (Veraval)

(Signature)
(Nitesh A. Joshi)
Partner
MRN : 124272

(Signature)
(Hiralal M. Tilva)
Chairman & Managing Director
DIN : 00022539

(Signature)
(Avni N. Dadhaniya)
Chief Financial Officer

For and on behalf of the Board
(Signature)
(Rakesh C. Patel)
Managing Director
DIN : 00510990

UDIN : 20124272 AAAADM6052

NOTES FORMING PARTS OF AUDITED FINANCIAL STATEMENTS**1. Company Information**

Ganga Forging Limited (Formerly known as Ganga Forging Private Limited and converted to Public Limited Company on 30th October, 2017) was incorporated on 29th December, 1988. The company is engaged in the business of own Production and Job work of forging items and accordingly sale of forging items and job work income are core and strategic activities.

2. Significant Accounting Policies :

The Company has considered its operating cycle as 12 months for the purpose of Current or Non-Current classification of Assets and Liabilities.

3. Basis of Preparations

The financial statements are prepared in accordance with India Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. GAAP comprises mandatory accounting standards as prescribed under section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2016, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing standard requires a change in the accounting policy hitherto in use.

3.1. Basis of Accounting:

The financial statements are prepared under the historical cost convention in accordance with the Generally Accepted Accounting Principles in India and the provisions of the Companies Act, 2013.

3.2. Use of Estimates :

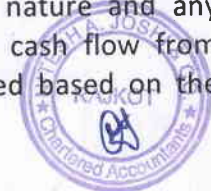
The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and results of operations during the reporting period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future result could differ from those estimates. The effects of change in accounting estimates are reflected in the financial statement in the period in which the results are known and if material, are disclosed in the financial statements.

3.3. Valuation of Inventories:

Inventories are stated at lower of cost or net realizable value on weighted average basis. Cost comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

3.4. Cash Flow Statements

Cash Flows are presented using indirect method, whereby profit/loss before extra-ordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from operating, investing and financing activities of the company is segregated based on the available information.



NOTES FORMING PARTS OF AUDITED FINANCIAL STATEMENTS

Cash comprise of cash on hand and demand deposits with banks for a period of less than 12 months. Cash equivalents are short term balances, highly liquid investment with maturity of 12 months or less that are readily convertible into cash.

3.5. Net profit or loss for the period, prior period items and changes in Accounting policies:

Prior period debits included in profit & Loss account	Nil
Prior period credits included in profit & Loss account	Nil

There are no changes in accounting policies.

3.6. Revenue Recognition:

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The Company collects GST on behalf of the government and therefore, there are not economic benefits followings to the company. Hence, they are excluded from revenue. Interest Income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

Revenue in respect of other income is recognized when no significant uncertainty as to its determination or realization exist.

3.7. Property Plant and Equipment:

Tangible Fixed Assets are stated at cost less accumulated depreciation / amortization and impairment loss, if any except Lease hold land which is carried at cost. The cost of tangible Fixed Assets comprises its purchases price, borrowing cost and any cost directly attributable to the bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustment arising from exchange rate variations attributable to the assets. Subsequent expenditures related to an item of fixed Assets are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Projects under which assets are not ready for their intended use are disclosed under Capital Work In Progress, comprising direct cost, related incidental expenses and attributable interest.

All other expenses on fixed assets, including repair and maintenance expenditure and replacement expenditure of parts are charged to Statement of Profit and Loss for the period during which such expenses are incurred.

Gains or losses that arise on disposal or retirement of an asset are measured as the difference between net disposal proceeds and the carrying value of an asset and are recognized in the Statement of profit and loss when the asset is derecognized.

Depreciation of Fixed Assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

There are no intangible assets.

The management of the company believes that the useful lives as given below best represent the useful lives of these assets based on internal assessment and supported by technical advice where necessary which may be different from the useful lives as prescribed Part C of Schedule II of The Companies Act 2013



NOTES FORMING PARTS OF AUDITED FINANCIAL STATEMENTS

Sr. No.	Assets Category	Useful Life in Years
1	Factory Building, Shed, Labour Quarters, Compound Wall, Approach Road, Office Building	30
2	Computers	3
3	Office Equipment, RO Plant, Air Conditioner, Weighing Scale, CCTV, Tea Machine, Refrigerator, Mobile	5
4	Furniture	10
5	Plant & Machinery	15 to 25
6	Vehicle	10
7	Laboratory Equipment	10
8	Electrification	10

3.8. Impairment of Assets:

An asset is impaired when the carrying cost of assets exceeds its recoverable value. An Impairment loss is charges to statement of profit and loss in the year which an asset is identified as impaired. The Impairment Loss recognized in prior accounting period is reversed there has been change in the estimate of recoverable amount. The management periodically assess, using internal and external sources to identify impairment of assets.

3.9. Accounting for Foreign Currency Transactions:

3.9.1. Transactions dominated in foreign currencies are recorded at the exchange rate prevailing on the date of transaction or that approximates the actual rate at the date of the transaction.

3.9.2. Monetary items denominated in foreign currencies at the year-end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year-end rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contracts.

3.9.3. In respect of branches, which are integral foreign operations, all transactions are translated at rates prevailing on the date of transaction or that approximates the actual rate at the date of transactions. Branch monetary assets and liabilities are restated at the year-end rates.

3.9.4. Any income or expenses on account of exchange difference either on settlement or on translation is recognized in the profit or loss account.

3.10. Government Grants:

3.10.1. Revenue related grants are recognized on accrual basis wherever there is reasonable certainty and are disclosed under other income. Receivables of such grants are shown under Other Current Assets, if any.

3.10.2. Export benefits are accounted in the year of exports based on eligibility and when there is no uncertainty in receiving the same. Receivables of such export benefits are shown under Other Current Assets.

3.10.3. Capital grants are accounted as Capital Subsidy and adjusted against the cost of Fixed Assets in the year of receipt, if any.



NOTES FORMING PARTS OF AUDITED FINANCIAL STATEMENTS**3.11. Accounting of Investment:**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made are classified as current investments. All other investments are classified as long-term investments. On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fee and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another assets, the acquisition is determined by reference to the fair value of the assets given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current Investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long term Investments are carried, at cost. However, provision for diminution in the value is made to recognize a decline other than temporary in the value of investments.

On disposal on investments, the difference between its carrying amount and net disposal proceeds is charged or credited to statement of profit and loss.

3.12. Employee Benefit:**3.12.1. Provident fund:**

Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due. The company has no further obligation, other than the contribution payable to the provident fund.

3.12.2. Gratuity:

The company has established the employees Group Gratuity-Cum-Life Assurance Scheme with Life Insurance Corporation of India through employees trust. The cost of providing benefit under the scheme are determined on the basis of actuarial valuation at each year end and contribution for the year is charged to the statement of profit and loss for the year.

3.12.3. Leave Encashment:

The company measures the expected cost that it expects to pay as a result of unused entitlement that has accumulated at the reporting date and the earned leave amount for the current reporting period is charged to the statement of profit and loss for the year. The company presents the entire leave as current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

3.13. Borrowing Cost:

Borrowing Costs includes interest and ancillary costs incurred in connection with the arrangement of borrowing and foreign exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest costs.



NOTES FORMING PARTS OF AUDITED FINANCIAL STATEMENTS

Borrowing Costs directly attributable to the Construction of an asset that necessarily take a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset. All of these borrowing costs are expensed in the period they are incurred.

3.14. Segment Reporting:

The Company is engaged in manufacturing of forging items which is the primary business segment based on the nature of products manufactured/traded and sold. Thus, the Company has only one reportable business which is manufacturing of forging items and only one reportable geographical segment. Accordingly, the segment information as required by AS 17 on "segment Reporting" is not required to be disclosed.

3.15. Accounting for Taxes on Income:

Provision for tax comprises of current and deferred tax. Provision is made on the basis of relief and deductions available under Income Tax Act. Deferred tax resulting from "timing differences" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantially enacted as on the balance sheet date. The Deferred Tax asset is recognized and carried forward for timing differences of items unabsorbed depreciation and accumulated losses only to the extent that there is a virtual certainty that there will be sufficient future taxable income available to realize the assets. Deferred tax assets are reviewed as at each balance sheet date for their reliability

3.16. Provisions, Contingent liabilities and Contingent Assets:

Provision is recognized in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities is not recognized but are disclosed when there is a possible obligation or present obligation that may, but probably will not, require an outflow of resources.

Contingent assets are a possible asset that arise from past events the existence of which will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

3.17. Other Disclosures :**3.17.1. Sales:**

Sales are accounted excluding GST.

3.17.2. Purchase:

Purchase is accounted excluding GST.

3.17.3. GST :

The GST collected on sales and services is accounted separately under GST Payable Account which is eligible for set-off against GST paid on inputs. The Balance in GST Account after set-off is shown under the head "Other Current Assets" forming part of Balance Sheet.



NOTES FORMING PARTS OF AUDITED FINANCIAL STATEMENTS**3.18. Global Health Pandemic on COVID-19**

The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. In many countries, businesses are being forced to cease or limit their operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown.

COVID19 is significantly impacting business operation of the companies, by way of interruption in production, supply chain disruption, unavailability of personnel, closure/lockdown of production facilities etc. The Company has resumed operations in a phased manner as per directives from the Government of India. The Company has evaluated impact of this pandemic on its business operations and financial position and based on its review of current indicators of future economic conditions, the business of the Company was highly affected due to pandemic COVID-19 for the Month March, 2020 and April 2020 during which company has shut down its business operations. From the month May 2020, the Company has restarted its operation gradually and would cover up the depressing impact made on the business of the company. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration and accordingly the impact may be different from that estimated as at the date of approval of these financial statements. The company has sufficient orders on hand from regular customers to comply in near future. The Company will continue to monitor any material changes to future economic conditions.



NOTES FORMING PARTS OF AUDITED FINANCIAL STATEMENTS

4.00 Share Capital

	As at 31.03.2020 Rupees	As at 31.03.2019 Rupees
Authorised Share Capital		
8500000 Equity Shares of Rs. 10 Each	85000000	85000000
8500000 Equity Shares of Rs. 10 Each	85000000	85000000
Issued, Subscribed & Paid up Capital		
7947331 Equity Shares of Rs. 10 Each	79473310	79473310
	79473310	79473310
Par value of the share	10	10

Reconciliation of the number of shares

	Number	As at 31.03.2020 Rupees	Number	As at 31.03.2019 Rupees
Shares outstanding at the beginning of the year	7947331	79473310	5565331	55653310
Add : Bonus Shares Issued during the year (9 shares allotted against 1 equity shares)	0	0	0	0
Add : Right Shares Issued during the year	0	0	0	0
Add : Preferential Allotment of Shares during the year	0	0	0	0
Add : Initial Public Offer (IPO) issued during the year	0	0	2382000	23820000
Less : Shares bought back during the year	0	0	0	0
Shares outstanding at end of the year	7947331	79473310	7947331	79473310

Details of more than 5% of total shares, held by each shareholder

	No of Share Held	As at 31.03.2020 % of Holding	No of Share Held	As at 31.03.2019 % of Holding
Hiralal Mahidas Tilva	1202047	15.13%	1202047	15.13%
Shitalben Manishkumar Nar	732761	9.22%	732761	9.22%
Parulben Rakeshbhai Patel	732761	9.22%	732761	9.22%
Rakesh Chhaganlal Patel	646668	8.14%	646668	8.14%
Manishkumar C Patel	646666	8.14%	646666	8.14%
Daxaben Hiralal Tilva	455000	5.73%	455000	5.73%



NOTES FORMING PARTS OF AUDITED FINANCIAL STATEMENTS

Shares allotted, as fully paid up pursuant to contracts without payment being received in cash/ by way of bonus shares and shares bought back during the preceding five years

	Year (Aggregate No of shares)				
	2019-20	2018-19	2017-18	2016-17	2015-16
1 Fully paid up pursuant to contract(s) without payment being received in cash	NIL	NIL	NIL	NIL	NIL
2 Fully paid up by way of bonus shares	NIL	NIL	3150000	NIL	NIL
3 Shares bought back	NIL	NIL	NIL	NIL	NIL

5.00 Reserve and Surplus

	As at 31.03.2020 Rupees	As at 31.03.2019 Rupees
General Reserve	1866143	1866143
Security Premium	48920641	22718641
Add : During the year	0	26202000
Surplus in the Profit & Loss Account	10873273	5661761
Opening Balance of Profit & Loss Account	-21153998	5211511
Add : Profit for the Current Year	-10280725	10873273
Total Reserve	40506059	61660057

6.00 Long Term Borrowings

	(Amount in Rs.)			
	Non - Current	As at 31.03.2020 Current	Non - Current	As at 31.03.2019 Current
Secured Loan				
Term Loan				
Axis Bank Ltd	41199970	3520003	44370906	6960004
Vehicle Loan				
Hdfc Bank Ltd	98393	90000	226877	120000
Unsecured Loan				
Business Loan				
Hdfc Bank Ltd	0	0	0	1817384
Kotak Mahindra Bank Ltd	0	0	0	735263
Directors & their relatives				
Directors	304350	0	4300000	0
Total	41602713	3610003	48897783	9632651



NOTES FORMING PARTS OF AUDITED FINANCIAL STATEMENTS

7.00 Deferred Tax Liability / (Asset) (Net)

	As at 31.03.2020	As at 31.03.2019
	Rupees	Rupees
Opening Balance	3685451	2356454
Add : Deferred Tax Liability for Current Year	-6866437	1328997
Closing Balance	-3180986	3685451

8.00 Other Long Term Liability

	As at 31.03.2020	As at 31.03.2019
	Rupees	Rupees
Other Payable	0	17000
	0	17000

9.00 Short Term Borrowings

	As at 31.03.2020	As at 31.03.2019
	Rupees	Rupees
Secured		
Loans repayable on demand		
Axis Bank Limited	70539190	68170910
	70539190	68170910

(Secured against exclusive charge over Stock & Book Debts and Other Current Assets of the of the company by way of hypothecation and collateral charge over Fixed assets of the Company.)

10.00 Trade Payable

	As at 31.03.2020	As at 31.03.2019
	Rupees	Rupees
Trade Payables to		
Micro and Small Enterprise	3522362	4323326
Other than Micro and Small Enterprise	79945732	59010686
	83468094	63334012

11.00 Other Current Liability

	As at 31.03.2020	As at 31.03.2019
	Rupees	Rupees
Current maturities of long-term debt		
Secured Loan		
Term Loan		
Axis Bank Ltd	3520003	6960004
Vehicle Loan		
Hdfc Bank Ltd	90000	120000



NOTES FORMING PARTS OF AUDITED FINANCIAL STATEMENTS

11.00 Other Current Liability

	As at 31.03.2020 Rupees	As at 31.03.2019 Rupees
Unsecured Loan		
Business Loan		
Hdfc Bank Ltd	0	1817384
Kotak Mahindra Bank Ltd	0	735263
Other Payables		
GST Payable	2070425	3503094
TDS Payable	621504	2407062
TCS Payable	0	0
Professional Tax Payable	692940	662390
Advance from Customers	2583095	4981693
	9577967	21186890

12.00 Short Term Provisions

	As at 31.03.2020 Rupees	As at 31.03.2019 Rupees
For Employee Benefits		
Salary & Wages	127468	1190489
Gratuity	2159971	1711100
Leave Encashment	320981	107348
Provident Fund	131075	377133
Bonus to Staff	683942	475969
Gujarat Labour Welfare Fund	0	90
Other Provisions		
Audit Fees	250000	250000
Power Consumption	329782	626185
Income Tax	1342501	1342501
	5345720	6080815

13.00 Property, Plant & Equipment

(Amount in Rs.)

Particulars	GROSS BLOCK			Gross Block as on 31.03.2020
	Gross Block as on 01.04.2019	Addition	Deduction / Sold	
Land	4534803	0	0	4534803
Building	57359282	0	0	57359282
Plant & Machinery	109792078	1654664	250000	111196742
Electrification	11478438	554034	0	12032472
Furniture & Fixture	1943041	61226	0	2004267
Office Equipment	1174885	417850	0	1592735
Computer	824768	0	0	824768
Vehicle	828601	0	0	828601
	187935896	2687774	250000	190373670
Capital Work - in - Progress	0	3557226	0	3557226
Total Assets	187935896	6244999	250000	193930896



NOTES FORMING PARTS OF AUDITED FINANCIAL STATEMENTS

13.00 Property, Plant & Equipment

Particulars	ACCUMULATED DEPRECIATION			
	Depreciation Reserve as on 01.04.2019	Depreciation for the Year	Deduction	Depreciation Reserve as on 31.03.2019
Land	0	0	0	0
Building	7216633	1804375	0	9021008
Plant & Machinery	18214434	5374427	16959	23571902
Electrification	3046672	1096387	0	4143059
Furniture & Fixture	862562	169211	0	1031773
Office Equipment	822601	229568	0	1052169
Computer	661512	56434	0	717946
Vehicle	279886	72462	0	352348
	31104300	8802864	16959	39890205

	NET BLOCK	
	As at 31.03.2020 Rupees	As at 31.03.2019 Rupees
Land	4534803	4534803
Building	48338274	50142649
Plant & Machinery	87624840	91577644
Electrification	7889413	8431766
Furniture & Fixture	972494	1080479
Office Equipment	540566	352284
Computer	106822	163256
Vehicle	476253	548715
	150483466	156831596
Capital Work - in - Progress	3557226	0
Total Assets	154040691	156831596

14.00 Long Term Loans & Advances

	As at 31.03.2020 Rupees	As at 31.03.2019 Rupees
Mat Credit Entitlement	1274572	1274572
Security Deposits		
Utility Service deposit	591364	591364
	1865936	1865936

15.00 Other Non Current Assets

	As at 31.03.2020 Rupees	As at 31.03.2019 Rupees
Advance for Capital Goods	1861000	1066000
Deposit with Bank	2105829	1957058
Preliminary Expenses	1358222	1810963
Other Advances	0	35750
	5325051	4869771



NOTES FORMING PARTS OF AUDITED FINANCIAL STATEMENTS

16.00 Inventories

	As at 31.03.2020 Rupees	As at 31.03.2019 Rupees
Raw Material		
Iron & Steel	16730665	23121633
Furnace Oil	845807	403046
Work In Process	0	8510028
Finished Goods	15103126	16544305
Scrap	2254359	2294600
Consumable Stores & Spares	1500000	1652400
Dies & Tools	36764067	35033068
	73198023	87559080

17.00 Trade Receivable

	As at 31.03.2020 Rupees	As at 31.03.2019 Rupees
a. considered good		
Other	75196543	76909002
Outstanding more than six Months	3134707	5171900
b. considered doubtful		
Other	-	-
Outstanding more than six Months	9445491	9445491
	87776741	91526393

18.00 Cash and Cash Equivalents

	As at 31.03.2020 Rupees	As at 31.03.2019 Rupees
Balances with banks	84726	528311
Cash on hand	577451	332020
	662177	860331

19.00 Short Term Loans & Advances

	As at 31.03.2020 Rupees	As at 31.03.2019 Rupees
Receivables from Revenue Authority (Unsecured, considered good)		
Receivables from Income Tax Authority	546504	383261
Receivables from Excise Authority	0	407099
Receivables from Sales Tax Authority	0	209897
Receivables from GST Authority	369671	1439274
Other advances recoverable in cash or kind		
Interest Receivable	30495	29322
Advance to Suppliers	2911312	5162315
Advance to Staff	221171	1243172
Pre-paid Insurance	273649	35592
	4352802	8909931



NOTES FORMING PARTS OF AUDITED FINANCIAL STATEMENTS

20.00 Other Current Assets

	As at 31.03.2020	As at 31.03.2019
	Rupees	Rupees
Loan to Staff	110644	83189
Other Advances	0	0
	110644	83189

21.00 Revenue From Operation

	As at 31.03.2020	As at 31.03.2019
	Rupees	Rupees
Revenue From Operation		
Sale of Manufacturing Goods	229589509	275406052
	[a] 229589509	275406052
Other Operating Income		
Jobwork Income	6909661	2878163
Net gain from expenses recovered	57216	387163
Export Incentives	23331	81907
	[b] 6990209	3347233
	[a + b] 236579717	278753285

22.00 Other Income

	As at 31.03.2020	As at 31.03.2019
	Rupees	Rupees
Interest Income	198796	78616
Profit / (Loss) on sale of Assets	-23041	1632424
Other Income	859820	9
	1035575	1711049

23.00 Raw Material Consumption

	As at 31.03.2020	As at 31.03.2019
	Rupees	Rupees
Iron & Steel		
Opening Stock	23121633	12846517
Add : Purchase (Net)	145250573	191205503
Less : Closing Stock	-16730665	-23121633
	Consumption of Iron & Steel [a] 151641541	180930387
Furnace Oil		
Opening Stock	403046	591624
Add : Purchase (Net)	9712599	8783648
Less : Closing Stock	-845807	-403046
	Consumption of Furnace Oil [b] 9269838	8972226
	Raw Material Consumption [a + b] 160911379	189902613



NOTES FORMING PARTS OF AUDITED FINANCIAL STATEMENTS

24.00 Changes in inventories

	As at 31.03.2020 Rupees	As at 31.03.2019 Rupees
Opening Stock		
Work In Process	8510028	7298347
Finished Goods	16544305	14730875
Scrap	2294600	157867
Dies & Tools	35033068	20436760
	62382001	42623849
Closing Stock		
Work In Process	0	8510028
Finished Goods	15103126	16544305
Scrap	2254359	2294600
Dies & Tools	36764067	35033068
	54121551	62382001
Change in Inventory	8260450	-19758152

25.00 Employee Benefit Expense

	As at 31.03.2020 Rupees	As at 31.03.2019 Rupees
Bonus paid to Staff	704735	475969
Leave Encashment	213633	281798
Contribution to Provident	811134	737359
Salary & Wages	15222085	12086553
Special Allowance	166168	152194
Tea & Refreshment	305711	423805
Director Remuneration	4560000	5160000
Contribution to Gratuity	448871	151189
Medical Expenses	-17187	70602
Labour Welfare	218046	279322
	22633196	19818791

26.00 Finance Cost

	As at 31.03.2020 Rupees	As at 31.03.2019 Rupees
Interest paid on		
Term Loan	4801295	3721779
Business Loan	152633	1117989
Vehicle Loan	24684	34781
Working Capital Finance	6736418	5693311
Other	100797	96995
Late payment of Govt Dues	469439	46291
Other Finance Cost		
Bank Charges	396005	470323
	12681271	11181469



GANGA FORGING LIMITED**F.Y. 2019 - 20****NOTES FORMING PARTS OF AUDITED FINANCIAL STATEMENTS****27.00 Other Expenses**

	As at 31.03.2020 Rupees	As at 31.03.2019 Rupees
Stores & Spares Consumed	7064279	10858470
Advertisement Expenses	64500	279160
Donation	0	10000
GST Expenses	733771	439379
Income Tax	1000	16159
Insurance	142486	375175
Jobwork Expenses	15842712	21812515
Misc. Expenses Written Off	452741	452741
Other Administrative Expenses	2149697	1260335
Other Manufacturing Expenses	1266434	1155530
Payment to Auditors	270000	447500
Postage and Couriers Expense	47136	43268
Power Consumption	18317336	19808490
Printing & Stationery Expenses	193477	275974
Professional and Technical Consultancy Fees	1799487	1255638
Rent, Rate & Taxes	0	49347
Repairs & Maintenance - Building	2594	33565
Repairs & Maintenance - Computer	102546	87610
Repairs & Maintenance - Electric	374692	479459
Repairs & Maintenance - Machinery	630794	919635
Repairs & Maintenance - Vehicle	357218	466626
ROC Filing Fees	22200	25600
Selling Commission	0	1267081
Telephone Expenses	119497	123261
Transportation Expenses	2032158	3164150
Travelling Expenses	131368	242662
VAT ITC	228445	0
	52346568	65349330



NOTES FORMING PARTS OF AUDITED FINANCIAL STATEMENTS

28.00 Information In Respect Of Opening Stock, Purchase, Sales And Closing Stock

	As at 31.03.2019 Rupees	As at 31.03.2019 Rupees
Opening Stock		
Raw Material		
Iron & Steel	23121633	12846517
Furnace Oil	403046	591624
Work In Process	8510028	7298347
Finished Goods	16544305	14730875
Scrap	2294600	157867
Consumable Stores & Spares	1652400	1358653
Dies & Tools	35033068	20436760
	87559080	57420643
Purchase		
Raw Material		
Iron & Steel	147756449	198176153
Less : Sales	-1530780	-5159808
Less : Rate Difference / Discount / Return	-975096	-1810842
	[a]	145250573
Furnace Oil	9712599	8783648
	[b]	9712599
	[c] = [a + b]	154963172
Consumable Stores & Spares	[d]	6911879
	[c + d]	161875051
11152217		211141368
Sale by Class of Goods		
Domestic Sales		
Finished Goods	221560914	263302437
Scrap	10230542	14088822
Less : Rate Difference / Discount / Return	-3439351	-2643767
	[a]	228352105
Export Sales		
Finished Goods	1237404	658560
	[b]	1237404
Inter Unit Sales	[c]	0
Jobwork Income	[d]	6909661
	[a + b + c + d]	236499170
2878163		278284215
Closing Stock		
Raw Material		
Iron & Steel	16730665	23121633
Furnace Oil	845807	403046
Work In Process	0	8510028
Finished Goods	15103126	16544305
Scrap	2254359	2294600
Consumable Stores & Spares	1500000	1652400
Dies & Tools	36764067	35033068
	73198023	87559080

29.00 Expenditure in Foreign Exchange

NIL

30.00 Value of Import calculated on C.I.F. basis

NIL



GANGA FORGING LIMITED

F.Y. 2019 - 20

NOTES FORMING PARTS OF AUDITED FINANCIAL STATEMENTS

31.00 Value of Export calculated on F.O.B. basis

	As at 31.03.2020	As at 31.03.2019
	Rupees	Rupees
Value of Export calculated on F.O.B. basis	1237404	658560
	1237404	658560

32.00 Payment to Auditor

	As at 31.03.2020	As at 31.03.2019
	Rupees	Rupees
Statutory Audit	150000	125000
Tax Audit	100000	125000
Other Services	20000	197500
	270000	447500

33.00 Earning Per Share

	As at 31.03.2020	As at 31.03.2019
	Rupees	Rupees
Net Profit after Tax as per Statement of Profit and Loss Attributable to Equity Shareholders	-21153998	5211511
Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	7947331	7314307
BASIC EPC	-2.66	0.71
Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	7947331	7314307
Diluted EPS	-2.66	0.71

34.00 Related Party Disclosure

34.01 Related parties where control exist NIL

34.02 Related parties with whom transactions taken place during the year

Name of related Party	Nature of Relation
Hiralal Mahidas Tilva	Key Managerial Personal
Rakesh Chhaganbhai Patel	Key Managerial Personal
Sheetal Sanjeevkumar Chaniara	Key Managerial Personal
Parulben Rakeshbhai Patel	Key Managerial Personal
Avani Nileshkumar Dadhania	Key Managerial Personal
Sandeep Enterprise	Associate Concern
Prem Trading Co.	Associate Concern
Steel Overseas	Associate Concern
H R Agro Products	Associate Concern
Crank & Crank	Associate Concern



NOTES FORMING PARTS OF AUDITED FINANCIAL STATEMENTS

34.03 Transactions during the year with related parties

Nature of Transaction	Key Managerial Personal		Associate Concern	
	31.03.2020	31.03.2019	31.03.2020	31.03.2019
	Rupees	Rupees	Rupees	Rupees
Remuneration	4560000	5160000	0	0
Office Salary	330000	360000	0	0
Jobwork Expenses	0	0	103750	1856071
Purchase of Machinery	0	0	0	35400
Sale of Goods	0	0	1628046	5829524
Purchase of Material	0	0	3905955	0
(Receivable) / Payable Net	1017600	683197	-2553567	-2819378

35.00 CONTINGENT LIABILITIES AND COMMITMENTS

	As at 31.03.2020	As at 31.03.2019
	Rupees	Rupees
Contingent Liability		
A. Claim against the company / disputed liabilities not acknowledged as debt	0	0
B. Guarantees		
I. Guarantees to Bank and Financial Institution against Credit Facilities extended to third parties and other Guarantees	0	0
II. Performance Guarantees	0	0
III. Outstanding Guarantees furnished to Bank or financial institution including in respect of Letter of Credit	0	0
C. Other Money for which the company is contingent liable	0	0
I. Pending C-Form	356963	946632
II. Liability in respect of bills discounted with Banks (Including third party bills discounting)	0	0
III. Customs Duty Obligations towards EPCG License	6855182	6855182
Commitment		
A. Estimated amount of contract remaining to be executed on capital account and not provided for (Net of Advances)	0	0
B. Other Commitment	0	0



NOTES FORMING PARTS OF AUDITED FINANCIAL STATEMENTS

- 36.00 The previous year's figures have been regrouped/ reclassified, wherever necessary to conform to the current year presentation
- 37.00 The Management confirms that the current assets and loans & advances are approximately of the value stated, if realized in the ordinary course of business and the provision for all known liabilities are adequate.
- 38.00 Outstanding Balances of Trade Payables and Trade Receivables are subject to confirmation

As per our report of even date

For, Nitesh A. Joshi & Co.
Chartered Accountants
FRN : 127578W



Nitesh A. Joshi
(Nitesh A. Joshi)
Partner

Date : 29.06.2020
Place : Shapar (Veraval)

MRN : 124272

Hiralal M. Tilva
(Hiralal M. Tilva)
Chairman & Managing Director
DIN : 00022539

Avni N. Dadhaniya
(Avni N. Dadhaniya)
Chief Financial Officer

For and on behalf of the Board

R. C. Patel
(Rakesh C. Patel)
Managing Director
DIN : 00510990

UDIN > 20124272 AAAADM6052

Form No. MGT-11

Proxy Form

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies
(Management and Administration) Rules, 2014]

CIN: L28910GJ1988PLC011694

Name of the Company: Ganga Forging Limited

Registered Office: Plot No. 1, SNO. 298&30, Rajkot Gondal National Highway, Veraval (Shapar),
Rajkot 360024, Gujarat India

Email: cs@gangaforging.com

Name of the Member(s)	
Registered Address	
Email Id	
Folio No./Client Id	
DP Id	

I/We, being the member (s) of _____ Equity Shares of the Ganga Forging Limited, hereby
appoint

1. Name:
Address:
E-mail Id:
Signature:

Or failing him

2. Name:
Address:
E-mail Id:
Signature:

Or failing him

3. Name:
Address:
E-mail Id:
Signature:

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the company to be held on the 28th day of December, 2020 at 11:00 A.M. at the registered office of the Company situated at Plot No. 1, SNO. 298&30, Rajkot Gondal National Highway, Veraval (Shapar), Rajkot 360024, Gujarat India and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolution	Vote		
		For	Against	Abstain
	Ordinary Business			
1.	To receive, consider and adopt the audited financial statements of the Company for the financial year ended on 31 st March, 2020 and reports of Board of Directors and Auditors thereon			
2.	To appoint Mrs. Parulben R. Patel, Director [DIN: 07528313], who retires by rotation as a Director and being eligible, offers herself for re-appointment			
	Special Business			
3.	Increase in authorized share capital of the company from Rs. 8,50,00,000/- (Rupees Eight crores fifty lacs only) To Rs. 12,00,00,000/- (Rupees twelve crores only)			
4.	Alteration in Clause V (Capital Clause) of the Memorandum of Association of the company			
5.	To issue Bonus Shares through capitalization of free reserves/ securities premium account			

Signed ___ day of _____ 20 ____

Signature of shareholder

Signature of Proxy holder(s)

<p>Affix Revenue Stamp</p>

Note: This form of proxy in order to be effective should be duly completed and deposited at the registered office of the company, not less than 48 hours before the commencement of the meeting.

ATTENDANCE SLIP

(To be handed over at the Registration Counter)

Annual General Meeting of the company held on Monday, 28th December, 2020

Regd. Folio No. / DP ID-Client ID No.:	
No. of Equity Shares	
Name of the Shareholders	
Address of the Shareholders	
Name of Proxy of Member	

1. I/We hereby record my/our presence at the ANNUAL GENERAL MEETING of the company being held on Monday, 28th December, 2020 at 11:00 A.M. at the Registered office of the company situated at Plot No. 1, SNO. 298&30, Rajkot Gondal National Highway, Veraval (Shapar), Rajkot 360024, Gujarat India
2. Shareholder/Proxy holder desiring to attend the meeting must bring the Attendance Slip to the meeting and handover at the entrance duly signed.
3. Shareholder/Proxy holder desiring to attend the meeting may bring his/her copy of the Notice of the AGM for reference at the meeting.

Signature of the shareholder's/ Proxy present

Note: Please carry duly filled attendance slip and hand it over at the ENTRANCE OF THE MEETING HALL.

